



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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August 16, 2005

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors and Commissioners:

**APPROVE THE SECTION 108 LOAN GUARANTEE PROGRAM SECURITY
COMMITMENTS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT AND APPROVE THE DEVELOPMENT AGREEMENT WITH LA
ALAMEDA, LLC, FOR THE LA ALAMEDA SHOPPING CENTER PROJECT, AN
ECONOMIC DEVELOPMENT PROJECT UNDER THE ECONOMIC DEVELOPMENT
– BUSINESS INCENTIVE PROGRAM
(SUPERVISORIAL DISTRICT 1) (3 VOTES)**

**JOINT RECOMMENDATION OF THE CHIEF ADMINISTRATIVE OFFICER AND THE
EXECUTIVE DIRECTOR OF THE COMMUNITY DEVELOPMENT COMMISSION
THAT THE BOARD OF SUPERVISORS:**

1. Find that the La Alameda Shopping Center Project (the Project) meets the required economic criteria under the Board of Supervisors' Economic Development – Business Incentive Program for the consideration of financial incentives, including access to capital through public sector lending instruments, and find that the Project is necessary to meet the social needs of the population of the County pursuant to Government Code section 26227.

2. Approve and stipulate that the County of Los Angeles agrees to: a) provide economic development gap financing to La Alameda, LLC, for the development of the Project from the proceeds of a Section 108 loan in the amount of \$8,250,000 and an Economic Development Initiative (EDI) grant in the amount of \$5,750,000; b) abide by the requirements set forth by HUD to make all payments of principal and interest as obligated on the Section 108 Promissory Note; c) provide loan security to HUD in the form of a pledge of the County's future Community Development Block Grant (CDBG) funds allocated to the First Supervisorial District and a debt service reserve deposit of \$2,000,000 from the County to be held as collateral in the Debt Service Reserve Investment Account with U.S. Bank, the HUD approved Collateral Agent; and (d) make payments of the principal and interest from CDBG funds allocated to the First Supervisorial District and site-specific property and sales tax increment derived from the Project, subject to annual appropriation by your Board.
3. Authorize the Auditor-Controller, with assistance from the Community Development Commission (CDC), Treasurer and Tax Collector, and the Chief Administrative Office (CAO) to develop the necessary procedures for the creation of a special fund(s) for the payment of principal and interest of the Section 108 loan from CDBG funds allocated to the First Supervisorial District and the site-specific property and sales tax increment, and for the deposit of said funds into the Debt Service Reserve Investment Account and other HUD approved repayment accounts held by U.S. Bank, subject to annual appropriation by your Board, until such time as the Section 108 loan is retired.
4. Instruct the CAO to enter into a Memorandum of Understanding (MOU) with the Community Development Commission to establish the necessary protocols to administer and monitor the performance of the incentive program for the Project.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Approve and authorize the Executive Director of the Community Development Commission to execute the Development Agreement with La Alameda, LLC, presented in substantially final form, and all related documents, that establishes the terms and conditions for the development of the Project, to be effective following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Your Board is being requested to find that the County's financial incentives for the Project are consistent with the criteria established in the Board of Supervisors' Economic Development – Business Incentive Program. These findings include the following: 1) the Project, comprised of a 233,000 square-foot retail shopping center and 14,000 square feet of office space, will allow for the provision of goods and services not otherwise available to residents of the unincorporated communities of Florence-Firestone and Walnut Park; 2) the Project will revitalize a local community by eliminating blight and creating an estimated 750 permanent, full-time equivalent jobs with annual wages or salaries ranging from \$20,000 to \$38,000, which will be filled after a focused outreach to the residents of the unincorporated communities; and 3) based on a review of the Project by a County review team comprised of representatives from the Community Development Commission, Treasurer and Tax Collector, Auditor-Controller, County Counsel, and CAO, the Project demonstrates that the net present value of the fiscal benefits generated for the County exceed the cost of the incentives. Based upon the above findings, your Board is also being requested to find that the Project is necessary to meet the social needs of the population of the County pursuant to Government Code section 26227.

These findings, combined with your Board's approval of the other recommendations, will enable the County of Los Angeles to provide financial incentives in the form of economic development gap financing to La Alameda, LLC, for the development of the Project in the buffer area of the Federally-designated Empowerment Zone. The economic development gap financing proposed includes proceeds from a Section 108 loan in the amount of \$8,250,000 and an EDI grant in the amount of \$5,750,000. Subject to the conditions of these HUD programs, including the repayment of the Section 108 loan and the pledge of collateral funds to secure the loan, the County of Los Angeles must enter into an agreement with HUD for the receipt and use of these funds.

In addition, the Board of Commissioners of the Community Development Commission, as a separate body from your Board, is being requested to approve and authorize the Executive Director of the Community Development Commission to execute the Development Agreement with La Alameda, LLC. The Development Agreement establishes the terms and conditions for the development and financing of the Project and is presented in substantially final form (Attachment A). The Development Agreement was developed by the Community Development Commission in consultation with the National Development Council, Keyser-Marsten & Associates, Brown Winfield & Canzoneri, as Special Counsel, County Counsel, and the CAO. The terms and conditions of the Development Agreement have been agreed upon by La Alameda, LLC after extensive negotiations. The Community Development Commission will be responsible for administering and monitoring the Development Agreement.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the County of Los Angeles Strategic Plan Goal No. 5, Children and Families' Well-Being, and Goal No. 6 Community Services. Through the recommended actions, the County is promoting the economic well being of families in unincorporated communities by helping eliminate blight and create jobs with a focused outreach to the residents of the unincorporated communities.

FISCAL IMPACT/FINANCING:

Upon execution of the Section 108 Contract for Loan Guarantee Assistance and related documents, the Community Development Commission will administer the loan and grant funds. The EDI regulations require that Section 108 loan proceeds be used in conjunction with the EDI grant. The \$5,750,000 in EDI funds and the \$8,250,000 in Section 108 funds are included in the Community Development Commission's fiscal year 2005 – 2006 budget.

As shown in the projected amortization schedule for the Section 108 loan (Attachment B), the annual loan payment amount of principal and interest will range from \$460,000 to \$804,000. The aggregate amount paid by the County over the 20-year term of the Section 108 loan, including principal and interest, is projected to be \$14 million based on an average interest rate of 6.5 percent. The Section 108 loan payments will be made from a combination of the First District's allocation of CDBG funds (50 percent) and the site-specific property and sales tax increment derived from the Project (50 percent), subject to annual appropriation by your Board, to be held in a special fund(s) for the purpose of loan repayment.

In order to secure the Section 108 loan, HUD is requiring that the County pledge all future allocations of CDBG funds, determined by the County to be CDBG funds allocated to the First Supervisorial District only. The CDBG funds allocated to the First Supervisorial District are sufficient to secure this loan. In addition, the County will make a debt service reserve deposit of \$2 million as collateral for a Sinking Fund in the Debt Service Reserve Investment Account with U.S. Bank. The First District has pledged \$2 million from First District Capital Projects funds to satisfy this requirement. The \$2 million is 125 percent of the cumulative shortfall between the projected site-specific property and sales tax increment and the cumulative Section 108 loan payments over the life of the loan. A portion of the Sinking Fund of the Debt Service Reserve Investment Account balance, including any interest earned on the deposit, shall be returned to the County annually consistent with the final agreement between HUD and the County.

The site-specific property and sales tax increment projections, prepared by Keyser Marston Associates Inc., a consultant employed by the Community Development

Commission, indicate that sufficient funds will be generated from the Project to make 50 percent of the loan payment. The combined sales and property tax increment to accrue during the term of the loan is projected at \$15 million. Provided CDBG funds allocated to the First Supervisorial District are available to satisfy 50 percent of the annual loan payments, the County's 50 percent contribution to the annual loan payments from the sales and property tax increment is estimated at \$7 million over the term of the loan. The maximum County contribution may increase to the extent CDBG funds allocated to the First Supervisorial District are not available or only available in reduced amounts, but will not exceed the total payments of \$14 million. To the extent sufficient CDBG funds allocated to the First Supervisorial District are available throughout the term of the loan, the County's general fund would realize an additional \$8 million in combined sales and property tax increment during the 20-year loan term. The County's use of the sales and property tax increment generated by the Project to repay the loan shall be subject to annual appropriation by your Board.

In the event that the site-specific property and sales tax increment is insufficient to make the loan payments, and rather than having HUD collect the payment from the Sinking Fund Account in the Debt Service Reserve Investment Account, the loan payment may be made by the County from funds being released from the Sinking Fund Account in the Debt Service Reserve Investment Account to the County subsequent to the annual payment. The source of the funding for the Sinking Fund in the Debt Service Investment Account, the First District share of Capital Project funds, will accrue all net proceeds from the funds being released by HUD. In the event the County utilizes any of these funds for purposes of making annual loan payments and to the extent excess property and sales tax increment is generated in subsequent years, the County may reimburse the First District share of Capital Project funds the amount that was previously utilized for making annual loan payment(s).

If the annual amount of the proceeds being released by HUD from the Sinking Fund of the Debt Service Investment Account is insufficient to fund any shortage in the County's share of the annual loan payment, CDBG funds allocated to the First Supervisorial District may be utilized to fund the amount of the shortage up to the full amount of the County's share. At such time that site-specific sales and property tax excess increment is available, after the County's share of the annual loan payment has been made, the County's annual payment may be increased and the CDBG share allocated to the First Supervisorial District decreased to the extent CDBG funds allocated to the First Supervisorial District were previously utilized to fund any shortage in the County's share.

In the event that the First District's subsequent annual allocation of CDBG funds is reduced by 75 percent or more from its allocation in Fiscal Year 2004-2005, or eliminated in its entirety, and 100 percent of the site-specific property and sales tax increment for such fiscal year will not satisfy the loan payment, La Alameda, LLC is obligated to cover the payment shortfall. The developer's obligation to potentially pay

EXHIBIT A

DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into as of the _____ day of _____, 2005, by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES (the "Commission") and LA ALAMEDA, LLC, a California limited liability company, (the "Developer"). The Commission and the Developer agree as follows:

I. [§100] SUBJECT OF AGREEMENT

A. [§101] Purpose of this Agreement

The purpose of this Agreement is to provide the terms and conditions for the development of certain real property consisting of approximately 18.3 acres of land located adjacent to Alameda Street between Florence Avenue and Leota Street (the "Site"), which Site is situated in the buffer zone of the federally designated Empowerment Zone ("Empowerment Zone"). Pursuant to the terms and conditions of this Agreement, Developer will improve the Site with a mixed-use center containing approximately 220,000 square feet of retail space and approximately 18,000 square feet of office space, which center will provide a convenient shopping location for the community, create new jobs for local residents in the Empowerment Zone and surrounding areas, and help eliminate blight in the area.

The development of the Site pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the County of Los Angeles (the "County"), and the health, safety, morals, and welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements.

B. [§102] Empowerment Zone

The Site is located within the buffer zone of the Empowerment Zone and is eligible for Economic Development Initiative grant funds and Section 108 guaranteed loan funds from the U.S. Department of Housing and Urban Development ("HUD").

C. [§103] Site to Remain Unincorporated County Property.

It is intended by the parties to this Agreement, subject to its terms and conditions, that Commission shall deliver proceeds from the Section 108 Loan to Developer for acquisition costs of the Site, and that a portion of the sales tax and property tax specifically generated from development of the Project on the Site shall be used to make the Section 108 Loan payments. As such, if the Site is the subject of annexation proceedings, whereby the Site would no longer be part of unincorporated County, Developer agrees to affirmatively oppose such annexation, and to cooperate with Commission or County in opposing such annexation, including without limitation, executing documents or appearing at hearings, in opposition to such annexation.

D. [§104] The Site

The Site will be owned or controlled by Developer and is shown on the Map of the Site (Attachment 1) located adjacent to Alameda Street between Florence Avenue and Leota Street in the County of Los Angeles and is more particularly described in the Legal Description of the Site (Attachment 2). Developer hereby agrees and acknowledges that Developer shall solely be responsible for assembling the Site and that neither the Commission nor the County shall in any way be responsible for assembling the Site or providing any assistance whatsoever in connection therewith.

E. [§105] Parties to this Agreement

1. [§106] The Commission

The Commission is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.). The office of the Commission is located at 2 Coral Circle, Monterey Park, California 91755. For purposes of any notices, demands, requests for approvals and other communications given hereunder to the Commission shall be sent to the attention of Carlos Jackson, Executive Director, at such address, together with a copy to Corde Carrillo, Director of Economic Redevelopment, and to Eric Young, Principal Deputy County Counsel. "Commission", as used in this Agreement, includes the Community Development Commission of the County of Los Angeles and any assignee of or successor to its rights, powers, and responsibilities and includes all respective officials, officers, employees and authorized representatives of the Commission.

2. [§107] The Developer

The Developer is La Alameda, LLC, a California limited liability company managed, through one or more intermediate entities, by Arturo Sneider ("Developer Principal"). The principal office of the Developer, for the purposes of this Agreement, is located at 228 South Beverly Drive, 2nd Floor, Beverly Hills, California 90212. Wherever term "Developer" is used herein, such term shall include any permitted nominee, assignee, or successor in interest as herein provided.

The qualifications and identity of the Developer, Developer Principal and Project team (as referenced in Section 304 below) are of particular concern to the County and the Commission, and it is because of such qualifications and identity that the Commission has entered into this Agreement with the Developer. Except as otherwise provided herein, the Developer shall not Transfer the Site, the Project, this Agreement, any ownership or control of the Developer to any party (and no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement) without the prior written approval of the Commission, which approval shall be granted or withheld in the Commission's sole discretion. Notwithstanding the foregoing, (a) in the event of the death or disability of Arturo Sneider, the Developer shall have the right to substitute Leandro Tyberg as the Developer Principal by providing written notice to the Commission (without obtaining the consent or approval of the Commission); and (b) in the event of the death or disability of both Arturo

Sneider and Leandro Tyberg, the Developer shall have the right to substitute Larry Flores ("Flores") as Developer Principal, provided that Flores provides the Commission with reasonable assurance that the Developer will retain competent professionals to assist the Developer in the construction, leasing and/or management as then necessary for the successful completion of the Project.

Notwithstanding the foregoing or any other provision of this Section, upon the issuance of the Certificate of Completion for the Project, the Developer may assign this Agreement to any entity which is controlled by the Developer Principal, provided that (i) such entity executes and delivers an agreement (in form and substance reasonably satisfactory to the Commission) to assume all responsibilities, obligations and liabilities of Developer arising under this Agreement, (ii) such assignment shall not relieve or limit in any manner any continuing or remaining responsibility, obligation and liability of Developer under this Agreement and Developer, and (iii) such entity shall thereafter be jointly and severally liable (with Developer) for all responsibilities, obligations and liabilities arising under this Agreement.

F. [\$108] Prohibition against Change in Ownership, Management and Control of Developer

The Developer represents and agrees that the interests, benefits and rights of the Developer under this Agreement are, and will be used, for the purpose of redevelopment of the Site and not for speculation in land holding. The Developer further recognizes that, in view of

- (a) the importance of the redevelopment of the Site to the general welfare of the community;
- (b) the public aids that have been made available by law and by the government for the purpose of making such redevelopment possible; and
- (c) the fact that the failure of the Developer's Principal to control Developer is for practical purposes a Transfer of the property then owned by the Developer.

For the reasons cited above, the Developer agrees, covenants, represents and warrants that prior to the Covenant Release Date (defined below) and without the prior written approval of the Commission in the Commission's sole discretion, Developer's Principal shall control the Developer.

Notwithstanding anything to the contrary herein, Developer may sell, assign or otherwise Transfer the Site, the Project or any equity interest in the Developer at any time after the issuance of the Certificate of Completion, if: (i) for any given twelve consecutive months, the sales tax revenues received by the County from the sales generated by the tenants at the Project are equal to or greater than those projected in Attachment 5; (ii) Developer provides written notice of the proposed Transfer to the Commission, together with evidence of the following, each of which shall be a condition precedent to the proposed Transfer:

- (a) The net worth of the proposed Transferee and other entities controlled by, controlling or under common control with the proposed Transferee ("Transferee Affiliates") is at least \$10,000,000;

(b) The proposed Transferee and/or Transferee Affiliates has owned at least three multi-tenant retail centers with tenancy similar to that of the Project, each consisting of at least 100,000 square feet of leaseable space;

(c) The proposed Transferee, Transferee Affiliates or the proposed property manager for the Project has had experience for over 5 years in managing at least three multi-tenant retail centers with tenancy similar to that of the Project, each consisting of at least 100,000 square feet of leaseable space; and

(d) The proposed Transferee and the Transferee Affiliates shall be of good business reputation (determined by the Commission in its reasonable discretion), evidenced in part by an absence of litigation with governmental authorities and an absence of criminal record.

The restrictions of this Section 108 and Section 107 shall terminate upon the Covenant Release Date.

G. §109] Definitions

1. §110] County

The term "County" shall mean the "County of Los Angeles" and includes all of the respective officials, officers, employees, commissioners and supervisors of the County.

2. §111] Commission Representatives

The term "Commission Representatives" shall mean and includes all of the respective predecessors, successors, assignees, agents, officials, employees, members independent contractors, affiliates, principals, officers, directors, attorneys, accountants, representatives, staff, supervisors, and commissioners, of the Commission.

3. §112] County Representatives

"County Representatives" shall mean and include all of the respective predecessors, successors, assignees, agents, officials, employees, members, independent contractors, affiliates, principals, officers, directors, attorneys, accountants, representatives, staff, supervisors, board members, and commissioners, of the County.

4. §113] Covenant Release Date

"Covenant Release Date" shall mean the date on which the Section 108 Loan (including all principal and interest according to the schedule in Attachment 6) is fully repaid and all other obligations under the Section 108 Loan Documents have been satisfied.

5. §114] Scope of Development

"Scope of Development" shall mean and include all work as identified on Attachment 4 to this Agreement. The Scope of Development shall be deemed to incorporate the Site improvements shown on those certain concept drawings prepared by Nadel Architects, Inc. dated

April 13, 2005 (Conceptual Elevations), April 1, 2005 (Preliminary Site Plan) and April 12, 2005 (Aerial Perspective) as such drawings are refined into final construction drawings approved by the Commission pursuant to this Agreement.

6. [§115] Developer Representatives

“Developer Representatives” shall mean and include all of the respective predecessors, successors, assignees, agents, officials, employees, members, independent contractors, affiliates, principals, officers, directors, attorneys, accountants, and staff of Developer.

7. [§116] Encumbrances

“Encumbrances” shall mean and include any mortgage, trust deed, encumbrance, lien or other mode of financing real estate construction and development, including a sale and lease back.

8. [§117] Governmental Restrictions

“Governmental Restrictions” shall mean and include any and all laws, statutes, ordinances, codes, rules, regulations, writs, injunctions, orders, decrees, rulings, conditions of approval, authorizations, now in force or which may hereafter be in force, of any governmental entity, agency or political subdivision, including without limitation all applicable federal and state labor standards.

9. [§118] Losses and Liabilities

“Losses and Liabilities” shall mean and include all claims, causes of action, liabilities, losses, damages, injuries, expenses (including, without limitation, attorneys’ fees and court costs), charges, penalties or costs of whatsoever character, nature and kind, whether to property or to a person, and whether by direct or derivative action, known or unknown, suspected or unsuspected, latent or patent, existing or contingent.

10. [§119] Construction Documents

“Construction Documents” shall mean and include all documents, as approved by the Commission, necessary to construct the Project including but not limited to plans, standard drawings, details, technical specifications, construction contract, schedules, addenda, modifications, reference standards, calculations, reports, cost estimates, value engineering studies, constructability reviews, and related documents including assignments thereof under Section 318 below.

11. [§120] Total Private Costs

“Total Private Costs” shall mean Total Project Costs less the amount of the Section 108 Loan, less the amount of the EDI Grant, less the amount of the Off-Site Funds, plus the amount of any Shortfall Payments.

12. [§121] Project

"Project" shall mean the development to be undertaken on the Site by the Developer in accordance with this Agreement.

13. [§122] [Reserved]

14. [§123] Qualified Financial Institution

"Qualified Financial Institution" shall mean a bank, savings bank, pension fund, insurance company or other institutional entity which is duly established and engages in the business of financing developments of the size and type of the development contemplated hereunder and which, in the determination of the Commission, has a sufficient net worth, liquidity position and credit rating to meet the contemplated financing commitment.

15. [§124 A] Section 108 Loan

"Section 108 Loan" shall mean the Section 108 Guaranteed Loan by HUD in the original principal amount of Eight Million Two Hundred Fifty Thousand Dollars (\$8,250,000). "Section 108 Loan Documents" shall mean the loan documents approved by the Commission and the County to evidence and/or secure the Section 108 Loan.

 [§124 B] EDI Grant

"EDI Grant" shall mean a grant in the amount of Five Million Seven Hundred Fifty Thousand Dollars (\$5,750,000) in Economic Development Initiative grant funds from HUD.

 [§124 C] Off-Site Funds

"Off-Site Funds" shall mean an amount equal to \$1,500,000 from the County Road Fund, which shall be for the purpose of constructing certain Off-Site Improvements (as defined below) specified in Attachment 4.

16. [§125] Transfer/Transferee/Transferor

"Transfer" shall mean and include any transfer, sale, assignment, master lease, sublease, license, franchise, concession, operating agreement, gift, hypothecation, mortgage, pledge or encumbrance, or the like to or with any person or entity receiving a Transfer; provided, however, that "Transfer" shall not include a lease, sublease, license, franchise, concession or similar transaction which includes less than substantially all of the Site. "Transferee" as used herein shall mean and include the person or entity receiving a Transfer. "Transferor" as used herein shall mean and include the person or entity making a Transfer.

II. [§200] ADMINISTRATIVE DEPOSIT; COMMISSION ASSISTANCE; ESCROW;
PROFIT PARTICIPATION

A. [§201] Administrative Deposit

Within five (5) days after the date of this Agreement, Developer shall deposit with the Commission \$100,000.00, which the Commission shall place into one or more interest bearing

accounts (collectively, the "Administrative Deposit Account"). Thereafter, Developer shall deposit such amounts into the Administrative Deposit Account as may be reasonably and customarily requested by the Commission from time to time for any Administrative Costs with backups therefor. Developer agrees that the Commission may withdraw and use funds from the Administrative Deposit Account for the following purposes ("Administrative Costs"): (i) to pay consulting, drafting, legal and other reasonable expenses incurred by the Commission in preparing this Agreement or in connection with the Section 108 Loan; and (ii) to pay consulting and legal and other reasonable expenses incurred by the Commission in connection with its review, monitoring and approval rights hereunder or the Section 108 Loan. The Commission shall regularly provide to Developer an accounting of the Administrative Costs so withdrawn and expended. Notwithstanding any provision to the contrary contained herein, Developer shall not have any obligation to make any further deposit in the Administrative Deposit Account (and any unexpended and uncommitted balance in the Administrative Deposit Account remaining shall be returned to the Developer) after the earlier of (i) the termination of this Agreement or (ii) the Covenant Release Date. After the issuance of the Certificate of Completion, the Commission shall withdraw and use funds from the Administrative Deposit Account only in connection with the administration of the Section 108 Loan. The Administrative Costs shall be part of the Total Project Costs.

B. [§202] Commission's Condition to Fund; Escrow

1. Subject to the satisfaction (or the Commission's written waiver) of the following conditions precedent, the Commission will fund the Section 108 Loan and EDI Grant, and the Commission will request the County to commit to fund the Off-Site Funds required of the County Road Fund pursuant to Section 124 C and all of the funds pursuant to the Access Bridge Agreement, with respect to the Project. Disbursement of the Section 108 Loan and EDI Grant proceeds shall be carried out through an escrow account ("Escrow") to be established by the Parties with a title or escrow company specifically approved in writing by Commission ("Escrow Holder"). The Parties shall enter into an escrow agreement ("Escrow Agreement") in the form of Attachment 7 attached hereto. The Parties may execute supplemental instructions to Escrow Holder consistent with the terms of this Agreement. All fees and costs incurred by Commission or Developer in connection with the Escrow shall be paid exclusively by Developer. The conditions precedent are as follows:

(a) Developer shall deliver to Escrow Holder original executed deeds and leases evidencing Developer's ownership of fee simple and ground leasehold title to the real property comprising the Site, along with, at a minimum, a CLTA owner's policy of title insurance in the amount of the full acquisition cost of the Site; and

(b) Developer shall deliver to the Commission true and correct copies of tenant leases, showing that not less than 65% of the retail leaseable space at the Project has been leased to tenants comparable in credit worthiness, name or brand recognition and business reputation to those listed on Attachment 8 attached hereto; and

(c) Developer shall deliver to the Commission Evidence of Financing described in Section 203 hereof from a financial institution reasonably acceptable to the Commission. Developer shall not be in default under the loan agreement and other documents

evidencing, securing or guaranteeing the financings contemplated by the Evidence of Financing previously submitted to the Commission (collectively, the "Financing Documents"); and

(d) Developer shall obtain all entitlements, approvals and permits necessary to develop the Project as required by the Financing Documents and to construct the Site improvements (including the Off-Site Improvements) in accordance with this Agreement; and

(e) Developer shall deliver to the Commission true and correct copies of the Construction Contract, as described and required in Section 204 hereof; and

(f) Developer shall deliver to the Commission evidence of all insurance and bonds and/or guaranties required under Section 313 hereof; and

(g) There shall be no uncured material default by the Developer hereunder; and

(h) Developer shall deliver to the Commission such documents, instruments, financial statements and other information in the possession or control of the Developer and requested by the Commission which HUD may require in connection with the Section 108 Loan and EDI Grant and subject to the terms of this Agreement; and

(i) HUD shall have approved and funded the Section 108 Loan and EDI Grant to the Commission for the Project, and the County shall have approved the same;

(j) Developer shall provide the Commission with a guarantee in substantially the same form attached hereto as Attachment 9;

(k) Arturo & Barbara Sneider, John & Barbara Selby, Leandro & Lori Tyberg, Richard Flores, Arthur Flores, Larry & Helen Flores, and David & Marianella Flores shall provide the Commission with a guarantee in substantially the same form attached hereto as Attachment 9;

(l) Developer shall deliver to the Escrow Holder a duly executed and acknowledged deed of trust in the form attached hereto as Attachment 10 to be recorded against the Site in favor of the Commission to secure payment of the Profit Participation Payments described in Section 207 and the Shortfall Payments described in Section 208 hereof ("Commission Deed of Trust"); and

(m) Developer shall deliver to the Commission a fully executed Access Bridge Agreement between Developer and the County, in form and substance reasonably satisfactory to the Commission; and

(n) Developer shall deliver to the Escrow Holder the CC&Rs (as defined below); and

(o) Developer shall deposit into Escrow the amount of \$ _____ (_____ Dollars), (the "Developer Deposit") to be disbursed at the close of Escrow to Commission to be used for Section 108 Loan interest payments to cover the period that

commences on the date of the initial draw from HUD of the Section 108 Loan through the period that is six months after the issuance of the Certificate of Completion.

2. When, and only when, Escrow Holder has confirmed that the closing conditions above have been satisfied, and Escrow Holder has received written certification on behalf of Commission from the Executive Director that all other closing conditions have been timely satisfied or waived, then Escrow Holder shall carry out the close of Escrow ("Close of Escrow") by:

(a) causing the Deeds and leases relating to ownership of the Site, the Deed of Trust, and the CC&Rs to be recorded in the Official Records of Los Angeles County, California;

(b) causing the Title Policy to be issued to Developer in the form and amount specified above; and

(c) disbursing the Section 108 Loan and EDI Grant proceeds pursuant to this Agreement and the Escrow Instructions mutually approved by Developer and Commission, which instructions shall provide, among other things, for disbursement to the Commission of One Million Dollars (\$1,000,000) Holdback Amount as set forth in Section 206, and disbursement to the Project's Construction Lender's account; and

(d) disbursing the Developer Deposit to Commission.

The Construction Lender will control the disbursement of the funds according to its standard procedures and policies and in accordance to the respective percentage of completion at the time of each disbursement.

Notwithstanding any provision to the contrary contained herein, the Developer acknowledges and agrees that the Section 108 Loan and EDI Grant will require separate approvals and separate documentation from HUD and the County of Los Angeles, and this Agreement does not constitute a promise or agreement that any such loan or grant will be made available for the Project.

C. [\$203] Evidence of Equity Capital and Construction and Operational Financing

At the time specified in the Schedule of Performance and with updates thereto from time to time as reasonably requested by the Commission, the Developer shall deliver to the Commission and obtain the Commission's approval of evidence ("Evidence of Financing") of on-hand or contractually committed funds sufficient to pay for 100 percent of the projected development costs (including a contingency amount equal to 4% percent of total costs) ("Total Project Costs") identified on Developer's projected development sources and uses table attached hereto as Attachment 11, together with a business plan which shall include a pro-forma statement of operating revenues and expenses, together with signed leases or use agreements (or binding written commitments therefor, as applicable and as required herein) to support projected lease revenues. Evidence of Financing may include, among other things, unencumbered cash or cash-equivalents held by Developer as documented by bank or depository statements, executed loan agreements for a construction loan or from other creditworthy institutional lenders subject to

such standard and reasonable conditions as are customarily imposed on such agreements. The Developer shall also deliver to the Commission evidence that Developer will have its portion of required equity as required by the Construction Lender(s), in order to allow the construction and development of the Project. The Section 108 Loan and the EDI Grant funds may be used as evidence of secured funding to obtain Developer's financing of Total Project Costs.

The Developer agrees to take all actions, furnish all information, give all reasonable consents and pay all sums required to keep the Evidence of Financing in full force and effect and shall comply with all conditions thereof, and shall promptly execute, acknowledge and deliver all loan applications, credit applications and data, financial statements, and loan documents in connection therewith.

The Developer shall obtain the written approval from the Commission, which approval may be granted or withheld in the Commission's reasonable discretion, with respect to the Evidence of Financing on or before the date specified in the Schedule of Performance. The Commission's approval or disapproval of the Evidence of Financing will not constitute a waiver by the Commission of any breach or violation of this Agreement by the Developer that is a result of acts that are or purport to be in compliance with or in furtherance of any financing described therein, unless such approval expressly so provides.

D. [§204] Construction Contract

By the deadline specified therefor in the Schedule of Performance, Developer agrees to deliver to the Commission a fully-executed written agreement (the "Construction Contract") for construction of the Scope of Development on the Site. Such Construction Contract shall obligate a reputable and financially responsible general contractor ("General Contractor"), who is bonded as required herein, appropriately licensed in California, and experienced in completing the type of Scope of Development and Site work contemplated by this Agreement to commence and complete the development and construction of the Scope of Development and Site work to be constructed on the Site in accordance with this Agreement. Each such Construction Contract shall be a guaranteed maximum cost contract assuring completion of the Scope of Development for a fixed price, subject to such reasonable adjustments as are customarily allowed with respect to such contracts for authorized change orders or other like matters. The fixed price for the Construction Contract shall be in an amount that, when added, to all consultant and loan fees, "points," commissions, charges, Developer's fees, fixtures, taxes, interest, start-up and other costs and expenses associated with developing and completing the Scope of Development and Site work, including the Off-Site Improvements (the aggregate of these costs is sometimes referred to collectively as "Development Costs"), does not exceed the Total Project Cost. The Construction Contract shall require the General Contractor to obtain Performance and Material and Labor bonds in accordance with Section 313 below.

The Developer shall submit all items required by this Section and Section 304 below and shall obtain the Commission's written approval of the Construction Contract and the General Contractor by the deadline specified therefor in the Schedule of Performance. The Commission's approval or disapproval of any Construction Contract will not constitute a waiver by the Commission of any breach or violation of this Agreement that is a result of acts that are or

purport to be in compliance with or in furtherance of said Construction Contract, unless such approval expressly so provides.

E. [\$205] Use of Section 108 Loan and EDI Grant Proceeds

Proceeds of the Section 108 Loan and EDI Grant shall be used by Developer solely for acquisition costs for the Site.

F. [\$206] Total Project Costs

Within one hundred and eighty (180) days after receipt of the Certificate of Completion for the entire Project, Developer shall deliver to the Commission a detailed accounting of the Total Project Costs actually paid theretofore by the Developer, certified to be true, accurate and complete by an independent accounting firm reasonably acceptable to the Commission ("Certification of Costs").

Notwithstanding any provision to the contrary contained herein, the amount of the Section 108 Loan and the EDI Grant funds received by the Developer from the Commission shall be reduced by an amount equal to the cost savings in the actual Total Project Costs (as shown by the Certification of Costs) from the projected Total Project Costs shown on Attachment 12 and Developer shall immediately return such amount to the Commission, unless the unleveraged yield of the annual net operating income of the Project against the Total Private Costs is equal to or less than Ten and One-Half (10.5%) Percent of the Total Private Costs per annum based upon the then current rent roll, in which case there will be no return of such amount. Without limiting the foregoing sentence, an amount equal to One Million Dollars (\$1,000,000) ("Holdback Amount") of the Section 108 Loan and/or the EDI Grant funds shall be held back by the Commission from the initial disbursement of such funds to the Developer hereunder until the Commission receives the final Certification of Costs and confirms the amount of such cost savings.

G. [\$207] Profit Participation Payments

"Preferred Developer Return" shall mean an amount equal to the greater of ten and one-half percent (10.5%) of the Total Private Costs or an amount equal to minimum scheduled annual interest and principal payments of any Project refinancing.

"Total Revenues" shall mean the total amount of all revenues received by the Developer from the Project during a calendar year, including without limitation, base rents, additional rents (including rents calculated based on sales or profits of the tenant), common area maintenance (CAM) charges, other pass-throughs paid by tenants, license or concessionaire payments, advertising income, filming income, parking fees and refunds of property tax payments relating to the Project. Total Revenues shall exclude sale proceeds and refinance proceeds.

"Total Expenses" shall mean the total amount of all costs and expenses paid by the Developer to third parties relating to the operation of the Project during a calendar year, including without limitation, utility charges, property taxes, tenant improvement costs (not capitalized for income tax purposes), brokerage costs, maintenance and repair costs (not capitalized for income tax purposes), insurance premiums, property management fees, and

attorneys' and other consultants' fees plus an amount equal to the Preferred Developer Return and Shortfall Payments, if any. Except as provided in the foregoing sentence, the Total Expenses shall not include principal or interest on any loans, advances or other debt service or returns on or of equity nor depreciation or other non-cash expenses.

"Excess Profits" shall mean, on a calendar year basis, the amount equal to the Total Revenues less the Total Expenses, plus an amount equal to Net Refinance Proceeds and Net Sales Proceeds.

"Net Refinance Proceeds" shall mean the gross proceeds from any refinancing of any permitted loan less (a) reasonable and customary third party costs of the refinancing and (b) the greater of Total Private Costs or the outstanding loan balance being refinanced.

"Net Sales Proceeds" shall mean the gross proceeds of any sale or partial sale of the Project less (a) reasonable and customary third party costs of the sale and (b) the greater of Total Private Costs or the then outstanding loan balance. In the event of a partial sale, the Total Private Costs shall be reduced by an amount equal to Net Sale Proceeds from a partial sale for purposes of calculating the annual Preferred Developer Return.

On April 1 of each year from the date hereof until the Covenant Release Date, the Developer shall pay to the Commission an amount ("Profit Participation Payment") equal to fifty (50%) percent of the Excess Profits from the immediately preceding calendar year, based upon audited financial statements prepared in accordance with generally accepted accounting principles from an accounting firm reasonably acceptable to the Commission and submitted to the Commission concurrently therewith. The Developer's obligation to pay the Profit Participation Payment to the Commission hereunder shall be secured by the Commission Deed of Trust, which shall be recorded against the Site.

The Developer's obligations to make the Profit Participation Payment shall continue until the Covenant Release Date.

H. [\$208] Section 108 Loan Repayment

Developer shall be obligated for the Section 108 Loan interest payments for the period of time from initial draw from HUD until six months after the issuance of the Certificate of Completion. If the Developer Deposit is insufficient to cover said interest payments, then Commission shall notify Developer in writing and Developer shall make payment to Commission upon demand. If Developer fails to make payment, Commission shall have the right to deduct said amount demanded from the Holdback Amount.

Commission intends to make Section 108 Loan payments from a combination of Community Development Block Grant ("CDBG") program funds allocated to County Board of Supervisors' First District, and sales tax and property tax increment specifically generated from development and operation of the Project on the Site. In any and each fiscal year prior to the Covenant Release Date, in the event that County Board of Supervisor First District's allocation of CDBG funds is reduced by 75% or more from its allocation in fiscal year 04-05, or eliminated in its entirety, and is not replaced by a substantially similar government program (which government program allows use of its funds to repay the debt service of the Section 108 Loan),

and 100% of the Site specific sales tax and property tax increment for such fiscal year will not satisfy the payment of the principal and interest due and payable on the Section 108 Loan, Developer agrees that Developer shall pay and be obligated for the additional amount (the "Shortfall Payments") over and above the Site specific sales tax and property tax increment generated from the Site which is necessary to pay the principal and interest on the Section 108 Loan for such fiscal year. Developer shall make payment to the Commission within ninety (90) days after receipt of written notice from Commission which notice shall be accompanied by a detailed explanation and evidentiary documentation of the programmatic reduction in CDBG funding as described hereinabove, as well as the accounting of the Site specific sales tax and property tax increment for the period in question at the time. The Developer's obligation to potentially pay Section 108 Loan payments as set forth herein, shall be secured by a Deed of Trust, which shall be recorded against the Site.

III. [§300] DEVELOPMENT OF THE SITE

A. [§301] Development of the Site by the Developer

1. [§302] Scope of Development

The Site shall be developed as provided in the Scope of Development, incorporated herein and attached as Attachment 4.

2. [§303] Development Schedule

The Developer shall prepare and submit a detailed Development Schedule, consistent with the Schedule of Performance, for the development of the Site to the Commission for review and approval within the time established in the Schedule of Performance.

The Development Schedule shall be developed and submitted in Critical Path Method (CPM) network configuration using MS Project, Suretrack, Primavera or equivalent as approved by the Commission. The scope of this schedule will comprise all discrete functions from Project start to completion, necessary to deliver the Scope of Development per the contractual requirements. The overall development schedule shall be provided in MS Project, accompanied by a more detailed Construction Schedule (in Suretrack or Primavera) as described in Section 310. The Development Schedule shall incorporate, among other dates and milestones, the items in Attachment 3, Schedule of Performance.

3. [§304] Project Team Staffing Plan; General Contractor

The Developer shall prepare and submit a Project Team Staffing Plan (the "Plan") to the Commission for review and approval within the time established in the Schedule of Performance. The Plan shall contain an organizational chart showing all component functions and reporting relationships, and the related staff for all activities, including a separate narrative describing the roles and responsibilities of all participants. Experience (curriculum vitae) and contact information should be provided for all principals, and key personnel within Developer, as well as any outside consultants, accountants, architects and legal counsel. Signed contracts with these outside parties shall be included in the Plan. Where the Plan utilizes organizations other than

Developer's, a company profile must be provided for each. A detailed resume for each individual on the organizational chart must be included.

Developer shall provide the following items for the Commission's prior review and approval with respect to the General Contractor proposed to be used on the Project:

- (a) Resume (curriculum vitae) for company and principals.
- (b) Last three years corporate tax returns.
- (c) Intentionally Deleted.
- (d) Relevant credit reports.
- (e) Licenses in good standing.
- (f) Executed Construction Contract.

4. §305] Design Contract; Basic Concept Drawings

The Commission hereby approves Nadel Architects, Inc. as the Project Architect.

The Developer shall prepare and submit Basic Concept Drawings and related documents for the development of the Site (including without limitation, the Off-Site Improvements) to the Commission for review and approval within the time established in the Schedule of Performance. Basic Concept Drawings shall include a site plan, floor plan, elevations, and other drawings describing the scale and character of the Project, including but not limited to Site improvements, Off-Site Improvements and landscaping.

The Site shall be developed as generally established in the Basic Concept Drawings and related documents except as changes may be mutually agreed upon between the Developer and the Commission. Any such changes shall be within the limitations of the Scope of Development (Attachment 4).

Based on the Basic Concept Drawings and related documents, the Developer and its design team shall prepare and obtain the Commission's approval for the following phases of design: schematic design; design development; construction cost estimates for schematic design and design development, including any value engineering analysis. The Developer will include thirty (30) days for each review in the Development Schedule and sufficient time to redesign in accordance with the Commission's comments as reasonably required.

5. §306] Finish Grading Plans

The Developer shall prepare and submit to the Commission for its approval preliminary and final grading plans for the Site. Those plans shall be prepared and submitted within the times established in the Schedule of Performance.

The grading plans shall be prepared by a licensed civil engineer. Such civil engineer may be the same firm as the Developer's architect.

6. [\$307] Construction Plans, Drawings, and Related Documents

The Developer shall prepare and submit schematic and design development drawings and a conceptual cost estimate, preliminary construction drawings (50% complete), a detailed cost estimate, final construction drawings (90% complete), a revised detailed cost estimate, landscape plans, public improvement, street plans, equipment specifications, and related documents (collectively the "Construction Documents") to the Commission for review and written approval within the times established in the Schedule of Performance (Attachment 3) subject to extensions as they are authorized herein or as mutually agreed upon in writing by the parties. The Construction Documents shall include all related work for the Scope of Development, including but not limited to architectural, civil engineering, structural engineering, electrical, mechanical, plumbing and landscape. The Construction Documents are to be in conformance with the requirements set forth in this Agreement and the Scope of Development, Attachment 4.

The final construction drawings (90% complete) submittal shall contain a complete and coordinated package adequate to obtain building permits and build the Project with a minimum of change orders consistent with industry standards for projects of this type. A final cost estimate shall be submitted reflective of the various value engineering and constructability review efforts to date.

During the preparation of all Construction Documents, the Commission and the Developer shall hold regular progress meetings to coordinate the preparation of, submission to, and review of Construction Documents, by the Commission. The Commission and the Developer shall communicate and consult as frequently as is necessary to insure that the formal submittal of any documents to the Commission can receive prompt and speedy consideration.

If any revisions or corrections of plans approved by the Commission shall be required by any government official, agency, department, or bureau having jurisdiction over the development of the Site, the Developer and the Commission shall reasonably cooperate in efforts to develop a mutually acceptable alternative.

7. [\$308] Commission Approval of Plans, Drawings, and Related Documents

Subject to the terms of this Agreement, and to the time frames provided by the Schedule of Performance, the Commission shall have the right of architectural review of all Construction Documents, including any proposed material changes therein. Such review will evaluate the Project on criteria including but not limited to the following:

- (a) Exterior elevations shall be well crafted with variations in massing, scaling elements, changes in materials, texture, color treatment and landscaping.
- (b) Intentionally Deleted.
- (c) Site circulation shall be as per the attached Site Plan

(d) Parking design shall be as per the attached Site Plan

(e) The Project shall provide a safe and secure environment and implement crime prevention through environmental design (CPTED).

(f) Landscaping shall offer functional and aesthetic benefits to Project occupants and the public domain as per the attached Site Plan.

(g) Environmental conservation measures shall have been incorporated into the design, such as placement of shading devices, low water consumption plumbing fixtures, drought tolerant landscaping.

Developer shall also obtain any architectural and site planning review required by any agency, department, board, or commission of the County within the times required for review of such Construction Documents and submissions and approval thereof. The Developer shall also submit any Construction Documents and submissions required for development permits or building permits to be issued by County departments or other public agencies.

The Commission shall approve or disapprove the Plans, referred to in Section 305, 306 and 307 of this Agreement within the times established in the Schedule of Performance (Attachment 3). Failure by the Commission to either approve or disapprove the Plans within the times established in the Schedule of Performance shall be deemed an approval by Commission hereunder only if such failure continues for an additional five (5) days after Developer has given the Commission written notice that the time for review provided under the Schedule of Performance has expired and no approval or disapproval has been received by Developer. The notice shall be accompanied by an additional set of the Plans for which approval is sought, and shall include a cover letter stating prominently that the continued failure by the Commission to approve or disapprove the Plans will result in a deemed approval. Any disapproval shall state in writing (the "Notice of Disapproval") the reasons for disapproval and the changes which the Commission requests to be made. Such reasons and such changes must be consistent with the Scope of Development (Attachment 4) and any items previously approved or deemed approved hereunder by the Commission. The Developer, upon receipt of a Notice of Disapproval shall revise the Plans and resubmit them to the Commission within thirty (30) days after receipt of the Notice of Disapproval. In no case shall the Commission be entitled to require changes inconsistent with the Scope of Development – Attachment 4, and any previously approved items. Any resubmission(s) shall be approved or disapproved and revised within the times set forth herein with respect to the initial submission of such Construction Documents. Notwithstanding the above time periods, if the Commission is required by law to hold a public meeting of the Commission, or any agency thereof, before the action specified is to be taken, the period for such action by the Commission shall be extended by a reasonable amount of time for the holding of such public meeting.

The Developer shall have the right during the course of construction to make minor field changes without seeking the prior approval of the Commission. Minor field changes shall be defined as those changes from the approved Construction Documents which have no material effect on the Scope of Development and (i) which result from unanticipated or unexpected field conditions required by the means and methods of the construction process or the unavailability of

specific materials called out in the Construction Documents and which do not materially alter the finishes or materials originally contemplated in the Construction Documents, or (ii) which will not materially diminish the overall quality, image and design of the Project as presented to the Commission and the County in the Construction Documents. In no event shall landscaping be downsized or reduced. If the Developer desires to make any change in the Plans after their approval by the Commission, other than minor field changes, the Developer shall submit the proposed change to the Commission for its approval which shall not be unreasonably withheld or delayed. The Commission shall not be deemed to have unreasonably withheld its consent to any proposed change by the Developer of any construction or equipment specification expressly set forth in the Scope of Development, where substitute materials or equipment are proposed by the Developer which the Commission has reasonably determined to be of inferior quality. In the event that the Commission's approval is required hereunder, the Commission shall approve or disapprove the proposed change and notify the Developer in writing within five (5) business days after submission to the Commission. Such change in the Plans shall be deemed approved by the Commission only if such failure to approve or disapprove continues for an additional five (5) days after Developer has given the Commission written notice that the time for review provided under this Section 308 has expired and no approval or disapproval has been received by Developer. The notice shall be accompanied by an additional set of the Plans for which approval is sought, and shall include a cover letter stating prominently that the continued failure by the Commission to approve or disapprove the Plans will result in a deemed approval.

The Developer understands that any administrative approval by Commission staff of any Plans or other submissions by the Developer shall not be construed to constitute an approval by other County agencies such as the Department of Regional Planning or the Department of Public Works, and the County shall retain full and absolute discretion respecting the granting or withholding of County approvals required by applicable Governmental Restrictions in connection with the construction of the Scope of Development and the use of the Site. Notwithstanding anything to the contrary in this Section, the Commission hereby acknowledges that the Developer shall have the right, at its sole discretion, to relocate the existing outdoor advertising billboard along Florence Avenue to the location indicated on the Site Plan, or to another location along Alameda Street frontage acceptable to the Commission, Developer and the billboard tenant.

8. [§309] Cost of Construction

The cost of design, pre-construction, developing the Site and constructing all improvements thereon shall be borne by the Developer except as otherwise expressly provided in this Agreement.

9. [§310] Post-Closing Construction Schedule

Developer shall promptly begin and thereafter diligently prosecute to completion, the construction of the Project and the development of the Site in accordance with the Schedule of Performance (Attachment 3). The Developer shall begin and complete all construction and development within the times specified in the Schedule of Performance or such reasonable extension of said dates as may be granted by the Commission or as provided in Section 604 of this Agreement. The Schedule of Performance is subject to revision from time-to-time as

mutually agreed upon in writing between the Developer and the Commission's Executive Director.

From the start and during the period of construction, the Developer shall prepare and submit a detailed Construction Schedule to the Commission for review and approval within the time established in the Schedule of Performance. The Construction Schedule shall be developed and submitted in CPM network configuration using MS Project, Suretrack, or approved equivalent. The schedule shall be consistent with the Schedule of Performance, and shall follow the recommendations of the latest edition of the Associated General Contractors of America book, Using CPM in Construction. Developer shall insure that the Construction Schedule approved by the Commission is fully consistent with the construction schedule used by Developer's construction lender. The original submittal and required monthly updates shall be submitted on floppy disk and two plotted hard copies (this will include both Gantt chart and CPM network plots, and related reports as requested by the Commission). See Attachment 13 for detailed CPM scheduling requirements.

10. [§311] Bid Phase Review

The Developer agrees and acknowledges that the Scope of Work may be subject to Davis-Bacon or other prevailing wage and/or public bid laws. Developer shall include all such requirements in the Construction Documents and conduct the bid phase and ongoing contract administration according to the requirements, including the wage decision in effect at the time of bid.

In addition to meeting applicable state and federal wage and bidding requirements, Developer shall adhere to any related procedures and requirements imposed by the Commission. Prior to going out to bid (advertisement), or award of negotiated bid, the Developer shall submit the bid package to the Commission for review and approval five (5) days prior to any advertising placement, or negotiation discussion.

Once the bids are received, the Developer shall prepare a bid evaluation and review all submittals with Commission staff for compliance with governing regulations.

Without limiting the foregoing, Developer acknowledges that the improvements being constructed by Developer are public improvements subject to applicable requirements under California Public Contract Code Sections 20688.1 through 20688.4 and Health & Safety Code Sections 33422 through 33423, inclusive. Developer specifically acknowledges that each and every part of the work for the Project is a "public work" as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code, that the requirements of California Labor Code Section 1720 et seq., (including, without limitation, the requirements of California Labor Code Section 1771) apply, and that the Developer is obligated to cause each and every part of the work for the Project to be performed as such a "public work". The requirements to which Developer will be subject include, among others, that prevailing wages be paid by contractors and subcontractors, that prevailing wage schedules be posted at the jobsite, and that detailed wage records be maintained. The Commission has available on file prevailing wage schedules promulgated by the California State Department of Industrial Relations. Developer shall indemnify, defend and hold the Commission, the Commission Representatives, the County, and the County

Representatives harmless for any Losses and Liabilities (including without limitation any suit, administrative proceeding, wage award or fine) arising out of or relating to (i) the payment or non-payment of prevailing wages in connection with the Project, including, without limitation, any action by a contractor or subcontractor pursuant to California Labor Code Section 1781 to recover any "increased costs" (as that term is defined in California Labor Code Section 1781(c)(2)) incurred by the contractor or subcontractor, or (ii) compliance or noncompliance with any applicable contract requirements under California Public Contract Code Sections 20688.1 through 20688.4 and Health & Safety Code Sections 33422 through 33423, inclusive. This indemnity shall survive any termination of this Agreement without any limitation.

11. [§312] Construction Monitoring Requirements; Effect of Commission Approvals

To the extent the Commission elects to do so in its sole discretion, Commission may provide oversight monitoring of the Scope of Development at its own expense. The Developer shall provide adequate records and site access to accommodate the monitoring activities.

The monitoring program may include, but is not limited to the following: establishment of various reporting requirement formats and frequencies; review of scheduling documents for conformance and performance; review of Quality Assurance/Quality Control program results; review of Project budgets and cash flows; attendance at job site meetings; review of job correspondence; review of change order requests; review of submittals to architect; site inspections; pay request reviews and approvals; review of job site safety conditions; review of construction documents for compliance with actual construction; review of labor compliance documents and compliance of same; monitoring of any other related activities.

Notwithstanding any other provision, any monitoring, design approval, approval, consent, direction or other action or inaction by the County or the Commission shall not alter the fact that Developer is solely responsible for the safety, quality, efficiency, and appropriateness of the Site and all aspects of the Project development and operation.

12. [§313] Indemnification and Insurance

During the period commencing with the execution of this Agreement, and continuing until such time as the Commission has issued a Certificate of Completion with respect to the construction of the improvements on the Site (including the Off-Site Improvements), the Developer hereby agrees to defend (with counsel approved by the Commission, and including but not limited to paying court costs and attorneys' fees), indemnify and hold harmless the Commission, the County and their respective officers, employees, contractors and agents, and each of them, harmless for any and all claims, losses, liability and damages related directly or indirectly to, or arising out of or in connection with (i) any breach or default by the Developer hereunder, (ii) any of the Developer's construction activities on the Site (or the activities of Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors or independent contractors on the Site), including without limitation the construction of any improvements on the Site (including the Off-Site Improvements) or the use or condition of any such improvements, or (iii) any other fact, circumstance or event related to the Developer's performance hereunder. This indemnity shall not apply to claims, losses,

liabilities and damages to the extent such are caused by the gross negligence or willful misconduct of the County or the Commission. This indemnity shall survive the termination of this Agreement and the recordation of the Certificate of Completion pursuant to Section 328 below.

Without limiting the Developer's indemnification of the Commission as set forth above, the Developer shall provide and maintain at its sole cost and expense for the periods stated below (and shall cause the General Contractor and subcontractors to provide and maintain at their sole cost and expense for the periods stated below), from insurers admitted in California or having a minimum rating of or equivalent to A:VIII in Best's Insurance Guide the following minimum insurance requirements:

(i) Workers' compensation--as required by the Labor Code of the State of California, with Employer's Liability limits of \$1,000,000 per accident.

(ii) Comprehensive general and automobile liability insurance, including contractual liability, with a combined single limit of at least one million dollars (\$1,000,000) for each occurrence and two million dollars (\$2,000,000) general aggregate. The Commission and the County and their respective officers, employees, contractors and agents, shall be named as additional insureds with respect to liability arising from activities performed by or on behalf of Developer. Said insurance shall be primary insurance with respect to the Commission and shall contain cross liability protection. Said insurance shall be maintained continuously until such time as all provisions of this Agreement have been met by Developer, and shall be endorsed to require thirty (30) days prior written notice from insurer to Commission before cancellation or change in coverage. The Developer shall require the General Contractor and subcontractors to include the Commission and the County, and their respective officers, employees, contractors and agents, as additional insured on all general liability insurance covering work at the Site.

(iii) "All Risk" property insurance, including Builder's Risk Protection, during the course of construction, covering the full replacement value of the Developer's improvements. Said insurance shall include debris removal and shall provide coverage for earthquake and flood if this protection is available from responsible carriers at commercially reasonable cost. Said insurance shall be maintained as long as Developer shall own said improvements. Commission shall be named as an insured under a standard loss payable endorsement.

(iv) Automobile liability insurance - \$1,000,000 combined single limit per accident for bodily injury and property damage covering owned, non-owned and hired vehicles.

The Developer shall deliver to the Commission certificates of insurance with original endorsements evidencing the coverage required by this Agreement. The certificates and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. All policies shall also name the Commission and the County and their respective officers, employees, contractors and agents, as additional insureds and the Developer as their respective interests may appear. The Commission reserves the right to require complete certified copies of all policies at any time.

Said insurance may provide for such deductibles or self-insured retention as may be acceptable to the Commission in its reasonable discretion. In the event such insurance does provide for deductibles or self insurance, Developer agrees that it will protect the Commission and the County and their respective officers, employees, contractors and agents, and each of them, in the same manner as these interests would have been protected had full commercial insurance been in effect. If required by the Commission from time to time, the Developer shall increase the limits of its liability insurance to reasonable amounts customary for owners of improvements similar to those on the Site.

At no cost to the Commission, the Developer shall provide a completion bond or, as an alternative, cause the General Contractor to provide a Performance and Material and Labor Bonds for the construction of the improvements on the Site (including, without limitation a performance bond and a payment bond guaranteeing contractor's completion of those Improvements free from liens of materialmen, contractors, subcontractors, mechanics, laborers, and other similar liens). The bonds shall be in an amount equal to one hundred percent (100%) of the full amount of the construction contract. Said bond shall be executed by a responsible corporate surety authorized to issue such bonds in California and shall be "T" rated with a classification of A 8 or better. This requirement on Developer shall be deemed to be fully satisfied in the event Developer's construction lender requires similar completion bonds as part of Commission's approved financing of the Project pursuant to Section 203 of this Agreement.

Failure of the part of the Developer to procure and maintain any required insurance shall constitute a material breach of this Agreement, in which event the Commission may any time thereafter provide Developer with written notice of said breach and, concurrently therewith, at its discretion, procure or renew such insurance and pay any and all premiums which may be necessary and in such event the Developer shall repay the Commission for such premiums immediately upon the Commission's demand therefor.

Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the Commission Risk Management Administrator or designee.

13. [§314] County and Other Governmental Agency Permits

Before commencement of construction or development of any buildings, structures, or other work of improvement upon the Site the Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by the County or any other governmental agency affected by or with jurisdiction over such construction, development, or work. The Developer shall secure the building permit for the Scope of Development no later than the date set forth in the Schedule of Performance. During the course of construction through issuance of the Certificate of Completion, Developer shall obtain all inspections and sign-offs required by the County or other governmental agency.

14. [§315] Rights of Access

For the purposes of assuring compliance with this Agreement, without any requirement of prior notice to Developer, representatives of the Commission and the County shall have the reasonable right of access to the Site (accompanied by a field superintendent) without charges or

fees and at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. Such representatives of the Commission or the County shall be those who are so identified in writing in advance by the Director of the Economic/Redevelopment Division of the Commission.

15. [§316] Local, State, and Federal Laws

The Developer shall carry out the construction of the improvements on the Site (including the Off-Site Improvements) in conformity with all Governmental Restrictions.

16. [§317] Antidiscrimination During Construction

The Developer, covenants for itself and its successors and assigns that:

a. The Developer will not discriminate against any, tenant, contractor, employee or applicant for employment because of race, color, creed, religion, sex or sexual orientation, age, medical condition, marital status, ancestry, or national origin, and Developer shall, in all solicitations or advertisements for employees placed by or on behalf of Developer, state that all qualified applicants will receive equal consideration for employment without regard to any of the foregoing.

b. Developer shall cause the foregoing provision to be inserted in all property leases, management contracts, construction contracts, and other contracts for any work covered by this Agreement so that such provision shall be binding upon each lessee, manager, contractor and subcontractor.

B. [§318] Assignment of Contracts

All construction contracts, architect agreements, public agency grant or assistance agreements, leases, and other contracts and agreements relating to development, ownership and/or operation of the Site and the Site improvements shall expressly provide that they are freely and unconditionally assignable to the Commission or a successor of Developer designated by the Commission following an uncured default by Developer under this Agreement or under any other loan or financing agreement entered into by Developer with the Commission or the County of Los Angeles relating to the Site.

C. [§319] Taxes, Assessments, Encumbrances, and Liens

The Developer shall pay, prior to delinquency, all real estate taxes and assessments assessed and levied on the Site or portion thereof for any period prior to the Covenant Release Date. Prior to the issuance of a Certificate of Completion, the Developer shall not place or allow to be placed on the Site any mortgage, trust deed, encumbrance, or lien not authorized by this Agreement. Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance, or lien, nor to limit the remedies available to the Developer in respect thereto.

The Developer understands that under certain conditions, its control of the Site or portion thereof under this Agreement may give rise to the imposition of a possessory interest tax on said property, and in such event, the Developer agrees to pay when due any such possessory interest tax.

D. [§320] Off-Site Improvements; Access Bridge Agreement

As used in this Agreement, "Off-Site Improvements" shall mean those improvements required to be constructed on or within the public right-of-way, outside the property line(s) of the Site; except for all matters related to the design, entitlement, permitting, managing, building and maintaining the new bridge over the Alameda Corridor at 74th Street, with respect to which the Developer has entered into or will be entering into a separate agreement with the Department of Public Works of the County of Los Angeles (the "Access Bridge Agreement"). However, if Developer fails to construct the Project, the costs to design, entitle, permit and build the Access Bridge shall be reimbursed by and shall be an obligation of Developer. Off-Site Improvements shall be the responsibility of the Developer and are identified in the Scope of Development, Attachment 4. As used in this Agreement, references to improvements on the Site or Site improvements in the context of Developer's obligations hereunder shall be deemed to include the Off-Site Improvements.

E. [§321] Security Financing; Rights of Holders

1. [§322] No Encumbrances Except Mortgages, Deeds of Trust, Sales and Leases-Back, or Other Financing for Development

The parties contemplate and agree that the only mortgages or deeds of trust associated with financing the improvements contemplated by this Agreement will be those associated with a construction loan, the financing of any tenant's furniture, fixture or equipment packages and the Section 108 Loan and EDI Grant funds. Mortgages, deeds of trust, sales and leases-back, or any other form of conveyance required for any reasonable method of financing or re-financing are permitted before the Certificate of Completion only with the prior written consent of the Commission in the Commission's reasonable discretion, and only for the purpose of securing loans or funds to be used for financing the construction of improvements on the Site in conformity with the Scope of Development, the financing of any tenant's furniture, fixture or equipment packages and any other expenditures necessary and appropriate to develop the Site under this Agreement. Other than the processing of the Construction Loan(s) associated with the initial demolition, construction and development of the Project and the financing of any tenant's furniture, fixture or equipment packages, the Developer shall give written notice to the Commission in advance of seeking or negotiating for any mortgage, deed of trust, sale and lease-back, or other form of conveyance for financing or re-financing if the Developer proposes to enter into the same before the Certificate of Completion. The words "mortgage" and "deed of trust", as used herein, include all other modes of financing or re-financing, involving any form of security interest, pledge, mortgage, lease, encumbrance, conveyance or other transfer of the Site, improvements thereon including the financing of any tenant's furniture, fixture or equipment packages, or any interest therein.

2. [§323] Compliance with Loan Documents

Developer shall comply with the ongoing covenants of any lender or source of public funds used for construction or permanent financing of the Project.

3. [§324] Intercreditor Matters

Upon Developer's request, the Commission and/or the County shall enter into a separate agreement with Developer's Construction Lender, such as an intercreditor agreement, which agreement may provide for certain rights and obligations of the parties thereto, including, without limitation, the following: (i) the Commission's consent to assign this Development Agreement to Developer's Construction Lender under certain circumstances, (ii) Developer's Construction Lender's obligation to provide the Commission with notices of default by Developer under the construction loan documents and the right of the Commission to cure the same, (iii) the Commission's obligation to provide Developer's Construction Lender with notices of default by Developer under this Development Agreement and the right of Developer's construction lender to cure the same, (iv) the Commission will acknowledge that in the event of a default by Developer under the Construction Loan, the Construction Lender may foreclose and assign the Project and the rights under this Agreement pursuant to the Transfer provisions contained herein, and (v) the Commission will acknowledge that this Agreement and the Commission Deed of Trust shall be subordinate to the payment in full of the Construction Lender. Upon refinancing of the entire Construction Loan and upon Developer's request, the Commission and/or the County shall enter into a similar intercreditor agreement with Developer's refinancing lender, provided that the Developer's obligation to pay the Profit Participation Payment to the Commission hereunder and/or the Commission Deed of Trust resulting from such refinancing shall not be subordinated to such refinancing lender or its deed of trust.

4. [§325] Estoppel Certificates

Within ten (10) days following receipt of any written request which the Developer may make from time to time (but no more than one time in any three hundred sixty-five day period), the Commission shall execute and deliver to the Developer a statement, in the form attached hereto as Attachment 14, certifying that: (i) this Agreement (and/or any other document(s) referenced herein to which the Developer's request relates) is unmodified and in full force and effect, if such be the case, or, if there have been modifications hereto (or thereto, as applicable), that this Agreement (and/or any other document(s) referenced herein to which the Developer's request relates) is in full force and effect, as modified, and stating the date and nature of such modifications, (ii) there are no current defaults under this Agreement (and/or any other document(s) referenced herein to which the Developer's request relates) or specifying the dates and nature of any such defaults and (iii) any other reasonable information requested. If the Commission fails to respond to such request within such ten (10) -day period, then the Developer shall deliver a second notice stating that the failure of the Commission to respond to such request within ten (10) days after receipt of such second request shall result in a deemed approval with respect to the requested matters. The failure to deliver such statement within that ten (10) day period shall (without limiting any other remedy which the Developer may have as a result of such failure) be conclusive (with respect to third parties relying upon such estoppel certificate)

upon the Commission that this Agreement (and/or any other document(s) referenced herein to which the Developer's request relates) is in full force and effect with only such modifications as have been identified by the Developer and that there are no current defaults in the performance of the Developer. The Executive Director of the Commission, and/or his or her designee, is hereby authorized to execute any certificate requested by the Developer under this Section 325.

5. [§326] Right of Commission to Cure Mortgage, Deed of Trust, or Other Security Interest Default

In the event of a default or breach by the Developer of a mortgage, deed of trust, or other security interest with respect to the Site prior to the completion of development, and the holder has not exercised its option to complete the development, the Commission may cure the default prior to completion of any foreclosure. In such event, the Commission shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the Commission in curing the default. The Commission shall also be entitled to a lien upon the Site with power of sale to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust, or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Site as authorized herein.

F. [§327] Right of the Commission to Satisfy Other Liens on the Site After Title Passes

Prior to the issuance of a Certificate of Completion for construction and development, and after the Developer has an opportunity to challenge, cure, bond or satisfy any liens or encumbrances on the Site, the Commission shall have the right after thirty (30) day written notice to satisfy any such liens or encumbrances and recover the costs associated therewith from Developer.

G. [§328] Certificate of Completion

Within thirty (30) days after final completion of all construction and development to be completed by the Developer upon the Site (including the Off-Site Improvements) to the reasonable satisfaction of the Commission, the Commission shall furnish the Developer with a Certificate of Completion. Such Certificate of Completion shall be in such form as to permit it to be recorded in the Office of the County Recorder of Los Angeles County and in no event shall be conditioned to the completion of the new bridge to be built over the Alameda Corridor and 74th Street.

A Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory completion of the construction required by this Agreement upon the Site.

If the Commission refuses or fails to furnish a Certificate of Completion for the Site, or portion thereof, the Commission shall, within ten (10) days of written request, provide the Developer with a written statement of the reasons the Commission refused or failed to furnish a Certificate of Completion. The statement shall also contain the Commission's opinion of the action the Developer must take to obtain a Certificate of Completion. If the reason for such refusal is confined to the immediate unavailability of specific materials or labor of minor, so called "customary punch list" items, the Commission will issue its Certificate of Completion

upon the posting of a bond by the Developer with the Commission in an amount representing a fair value of the work not yet completed.

Such Certificate of Completion shall not release Developer from any ongoing operating covenants under this Agreement or constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof. Such Certificate of Completion is not a notice of completion as referred to in California Civil Code Section 3093.

H. [§329] Hazardous Materials

The Developer covenants that it shall use and maintain the Site in compliance with all applicable Governmental Restrictions, including specifically but without limitation carrying out the investigation and remediation, if any, recommended by "Phase I" and "Phase II" environmental assessments obtained by or provided to Developer and required by applicable law. Developer further covenants that from and after execution hereof it shall not:

(i) deposit Hazardous Materials in, on or upon the Site during the period of Developer's ownership of the Site, or

(ii) permit the deposit of Hazardous Materials in, on or upon the Site except in accordance with applicable laws during the period of Developer's ownership of the Site. The Developer agrees to and hereby does release, indemnify and hold the Commission and County harmless from and against any Losses and Liabilities respecting (i) the deposit of Hazardous Materials in, on or upon the Site by the Developer, its employees, agents or developers, and (ii) the existence or claimed existence of Hazardous Materials in, on, or upon the Site, whether said Hazardous Materials are determined to have been deposited in, on or upon the Site prior to or after Developer's acquisition of title to or possession thereof.

For purposes of this Agreement, the term "Hazardous Materials" means, without limitation, gasoline, petroleum products, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, polychlorinated biphenyls or related or similar materials, asbestos or any other substance or material as may be defined as a hazardous or toxic substance by any federal, state or local environmental law, ordinance, rule or regulation, including, without limitation, (a) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 6901 et seq.), (b) the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), (c) the Clean Air Act (42 U.S.C. Section 7401 et seq.), (d) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984 (42 U.S.C. Section 6902 et seq.), (e) the Toxic Substances Control Act (15 U.S.C. Section 2601-2629), (f) the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 et seq.), (g) the Carpenter-Presley-Tanner Hazardous Substance Account Act (CA Health & Safety Code Section 25300 et seq.), (h) Hazardous Waste Control Law (CA Health & Safety Code Section 25100 et seq.), (i) the Porter-Cologne Water Quality Control Act (CA Water Code Section 13000 et seq.), (i) Safe Drinking Water and Toxic Enforcement Act of 1986, (k) Hazardous Materials Release Response Plans and Inventory (CA Health & Safety Code Section 25500 et seq.), (l) Air

Resources Law (CA Health & Safety Code Section 39000 et seq.), or (m) in any of the regulations adopted and publications promulgated pursuant to the foregoing.

In the event that archeological resources are exposed during Project construction, all earth disturbing work within the subject property must be temporarily suspended or redirected until a professional archaeologist retained by the Developer has evaluated the nature and significance of the find. After the find has been appropriately mitigated, work in the area may resume.

If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to the origin and disposition pursuant to Public Resources Code Section 5097.198. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.

I. [§330] Project Identification Sign

The Developer shall allow a sign to be posted on the Site, at the Commission's sole cost, identifying the Commission and the name of the Commissioner in whose supervisorial district the Project is located. The sign shall be not less than four (4) feet by six (6) feet in size, and the text of the sign shall conform to the template form prescribed by the Commission from time to time.

IV. [§400] USE OF THE SITE

As a condition precedent to the Close of Escrow, the Developer and the Commission shall agree upon a form of Declaration of Covenants, Conditions and Restrictions (collectively, the "CC&Rs") to govern the Site. The Developer hereby consents to the recordation of such CC&Rs against the entire Site or any portion thereof. The CC&Rs shall make the rights and obligations of the parties hereto covenants which shall be appurtenant to and run with the Site, including every part thereof. The CC&Rs shall be executed by the Developer and recorded prior to recordation of any other lien or encumbrance against or upon the Developer's interest in the Site. The CC&Rs shall also make the Commission a party thereto, and shall be enforceable by the Commission. A violation by the Developer during the term of this Agreement of any of the CC&Rs shall constitute a default under this Agreement for which the Commission may exercise any or all of the remedies available to it hereunder.

V. [§500] DEFAULTS, REMEDIES, AND TERMINATION

A. [§501] Defaults – General

Subject to the extensions of time set forth in Section 604, occurrence of any or all of the following shall constitute a material default under and breach of this Agreement, subject to the cure rights set forth below:

(i) Failure by the Developer to promptly pay in full any sums or amounts due to the Commission or the County under any term of this Agreement;

(ii) Failure of the Developer to timely make any of the submissions or to secure any of the approvals required under this Agreement including without limitation the Schedule of Performance Attachment 3;

(iii) Failure or delay by the Developer in the due, prompt and complete observance and performance of each and every material covenant or obligation imposed on the Developer by this Agreement, including without limitation the failure to commence or complete construction of the Project in accordance with and at the times set forth herein;

(iv) Discovery that any representation or warranty of the Developer made hereunder was materially false or misleading when made;

(v) The Developer's neglect, failure or refusal to keep in force and effect any permit or approval with respect to construction of any improvements;

(vi) Filing of a petition in bankruptcy by the Developer, or appointment of a receiver or trustee of any property of the Developer, or an assignment by the Developer for the benefit of creditors, or adjudication that the Developer is insolvent by a court, or levy of an attachment or execution against any substantial portion of the Developer's property, or against the Site or any portion thereof, or any materially adverse change in the financial condition of the Developer, or the initiation against Developer of a bankruptcy proceeding which proceeding is not dismissed or discharged within a period of ninety (90) days after the filing thereof;

(vii) The Developer has committed a material default under any acquisition and/or construction loan encumbering the Site or any portion thereof and all cure periods therefor have elapsed without cure by the Developer;

(viii) Failure by the Commission in the due, prompt and complete observance and performance of each and every material condition, covenant or obligation imposed on the Commission by this Agreement.

(ix) The Developer's failure to maintain or any policy or policies of insurance or any undertakings or bonds required hereunder insurance.

The party whose acts or omissions to act constitute a default hereunder shall be entitled to cure, correct, or remedy such default, if (a) such defaulting party commences and thereafter diligently pursues the curing of said default within thirty (30) days of receipt of a Notice of Default (as defined below) and (b) such defaulting party fully completes such cure, correction or remedy within thirty (30) days after receipt of said Notice of Default, or, in the event that the default is not curable within said 30-day period, within such additional period as is reasonably necessary to cure said default provided that such additional period shall in no event exceed one hundred and eighty (180) days.

Notwithstanding anything to the contrary in this Section 501, (a) if the default consists of a party's failure to timely discharge its monetary obligations to any other party, then the party in default shall cure any such default within ten (10) business days of receipt of a Notice of Default; (b) if the default is of the type described in (ii) above in this Section 501, said default shall be cured, corrected or remedied within fifteen (15) business days of Default; and (c) if the default is

of the type described in (ix) above in this Section 501, said default shall be cured within five (5) business days of receipt of a Notice of Default.

The non-defaulting party shall give written notice of Default ("Notice of Default") to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the non-defaulting party may not institute proceedings against the party in default until expiration of any applicable cure period after delivering the Notice of Default. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

B. [§502] Legal Actions

1. [§503] Institution of Legal Actions

In addition to any other rights or remedies, either party may, if the default remains uncured after notice and expiration of the cure period specified above (except that injunctive relief may be sought prior to expiration of the cure period if necessary to preserve the status quo and prevent an imminent action prior to expiration of the cure period), institute legal action to cure, correct, or remedy any default, or recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Los Angeles, State of California, or in the appropriate Federal District Court in the State of California.

2. [§504] Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3. [§505] Acceptance of Service of Process

In the event that any legal action is commenced by the Developer against the Commission, service of process on the Commission shall be made by personal service upon the Commission's Executive Director or in such other manner as may be provided by law.

In the event that any legal action is commenced by the Commission against the Developer, service of process on the Developer shall be made by personal service upon the Developer Principal or in such other manner as may be provided by law and shall be valid whether made within or without the State of California.

C. [§506] Rights and Remedies are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other party.

D. [§507] Damages

If the Developer or the Commission defaults with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party as provided in Section 501 above, the defaulting party shall be liable to the other party for any damages caused by such default.

Notwithstanding the foregoing, Developer shall in no event be entitled to, and hereby waives, any right to seek consequential damages of any kind or nature from Commission arising out of or in connection with this Agreement, and in connection with such waiver Developer is familiar with and hereby waives the provisions of Section 1542 of the California Civil Code which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Furthermore, neither the Commission nor the County shall be entitled to, and hereby waives, any right to seek consequential damages of any kind or nature from Developer arising out of or in connection with this Agreement, and in connection with such waiver the Commission and the County are familiar with and hereby waive the provisions of Section 1542 of the California Civil Code which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

E. [§508] Specific Performance

If the Developer or the Commission defaults under any of the provisions of this Agreement which has not been cured as provided in Section 501, the nondefaulting party, at its option, may institute an action for specific performance of the terms of this Agreement.

F. [§509] Remedies and Rights of Termination Prior to Funding of Section 108 Loan and EDI Grant Funds

1. [§510] Termination by the Developer

In the event that prior to the Developer receiving the Section 108 Loan and EDI Grant funds hereunder:

(a) The Commission fails to obtain HUD's approval of the Section 108 Loan and EDI Grant although the Developer has theretofore satisfied all of the conditions precedent to the Commission's obligation to obtain the Section 108 Loan and EDI Grant from HUD, or after the Commission obtains such approval from HUD, HUD fails to disburse such funds to the Commission for any or no reason whatsoever (in each case, within the time period required therefor set forth in this Agreement), and any such failure shall not be cured within thirty (30) days after the date of written demand by Developer; or

(b) The Developer is unable, despite diligent and good faith efforts, to obtain the necessary mortgage financing for construction and development of all improvements on the Site in accordance with this Agreement and the Scope of Development (Attachment 4), and deliver to the Commission either submission of evidence of financing referred to in Section 203 within the time respectively established therefor in the Schedule of Performance (Attachment 3); or

(c) The Developer is unable, despite diligent and good faith efforts, to obtain prior to the date established in this Agreement therefor, any of the following permits or entitlements for the development of the Site in accordance with this Agreement (including the Scope of Development) and the Drawings approved by the Commission:

- (i) building permits; or
- (ii) sewer and water permits; or
- (iii) adequate utility and/or infrastructure services;

(d) The Developer is unable to adequately lease at least fifty (50%) percent of the retail leaseable area to tenants acceptable to Developer by August 30, 2005;

(e) In the event that the Commission fails to approve or disapproves the Construction Drawings and/or the tenants submitted by the Developer more than three times; or

(f) The Developer, despite its good faith efforts, does not enter into the Access Bridge Agreement.

then this Agreement may be terminated without liability by the Developer.

The Developer shall exercise its right to terminate this Agreement by giving written notice to the Commission. Upon the giving of such notice and the termination of this Agreement, neither the Commission nor the Developer shall have any further rights against or liability to the other under this Agreement (other than those which are provided herein to survive the termination of this Agreement and the obligation of Developer to reimburse the Commission for any Administrative Costs incurred by the Commission as said amount is limited by the Administrative Deposit).

2. [§511] Termination by the Commission

In the event that prior to disbursing the Section 108 Loan and EDI Grant funds to the Developer hereunder, Developer commits a default under this Agreement that is not cured, after notice, within the time provided in Section 501 above, then, in addition to any other remedies, the Commission may elect to terminate this Agreement by giving written notice of such election to Developer. Upon the giving of such notice and the termination of this Agreement, neither the Commission nor the Developer shall have any further rights against or liability to the other under this Agreement (other than those which are provided herein to survive the termination of this Agreement and the obligation of Developer to reimburse the Commission for any Administrative Costs incurred by the Commission as said amount is limited by the Administrative Deposit).

VI. [§600] GENERAL PROVISIONS

A. [§601] Notices, Demands, and Communications Between the Parties

Formal notices, demands, requests for approvals and other communications between the Commission and the Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the Commission and the Developer, as set forth in Sections 106 and 107, respectively hereof. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either party may from time-to-time designate by notice as provided in this Section 601.

B. [§602] Conflicts of Interest

No member, official, or employee of the Commission shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

The Developer warrants that it has not paid or given, and will not pay or give, any real estate broker, finder, or any other third person any money or other consideration for obtaining this Agreement.

C. [§603] Nonliability of Commission Officials and Employees

No member official, or employee of Commission shall be personally liable to the Developer in the event of any default or breach by the Commission or for any amount which may become due to the Developer or on any obligations under the terms of this Agreement.

D. [§604] Enforced Delay: Extension of Times of Performance

In addition to the specific time periods otherwise provided by this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; terrorism; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; weather which delays the construction of the Project in any way; inability to secure necessary labor, materials, or tools; acts or the failure to act of any public or governmental agency or entity (except that acts or the failure to act of the Commission or County shall not excuse performance by the

Commission or County) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other parties more than ten (10) business days after the commencement of the cause, the period shall commence to run only ten (10) days prior to the giving of such notice. Notwithstanding any other provision of this Agreement, no party shall be entitled to extensions of time, under the foregoing provisions of this Section 604 or any similar provision of law, cumulatively exceeding three hundred sixty-five (365) days. Times of performance under this Agreement may also be mutually extended in writing by the Commission's Executive Director and the Developer.

E. [§605] Inspection of Books and Records

The Commission, the County Auditor-Controller, or their designee have the right, upon forty-eight (48) hours prior written notice, at all reasonable times, to inspect the books and records of the Developer and any consultants and contractors pertaining to the Site as pertinent to the purpose of this Agreement. The Developer shall cooperate in good faith in any audit of the Project as may from time to time be conducted by the Commission or the County.

The Developer also has the right, upon forty-eight (48) hours notice, at all reasonable times, to inspect the books and records of the Commission pertaining to the Site as pertinent to the Administrative Deposit Account or the Administrative Costs.

F. [§606] Reserved

G. [§607] Approvals

Approvals required of the Commission or the Developer may be granted or withheld in the Commission's sole and absolute discretion unless otherwise expressly specified herein. The Commission's Executive Director (or any person designated by him from time to time) is authorized to issue any notice, sign any document, and grant any consent or approval on behalf of the Commission pursuant to this Agreement, except that only the Board of Supervisors, in its sole discretion, shall approve any change in ownership, management or control of the Developer pursuant to section 108, or approve any amendment to this Agreement which would materially alter the basic business terms of this Agreement.

H. [§608] Improvements to Developer Site and Offsites

As material consideration for the execution of this Agreement, the Developer agrees to complete certain improvements to the Site (including the Off-Site Improvements) as listed in the Scope of Development (Attachment 4) in accordance with the Schedule of Performance (Attachment 3).

I. [§609] Real Estate Commissions

The Commission shall not be liable for any real estate commissions, brokerage fees or finders' fees which may arise from the acquisition of the Site by the Developer.

J. [\\$610] Developer's Representations and Warranties

The Developer covenants, represents and warrants as of the date of this Agreement as set forth in Sections 611 through and including 619.

K. [\\$611] Warranty Against Payment of Consideration for Agreement

The Developer has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement, other than normal cost of conducting business and cost of professional services such as architects, engineers, attorneys and other consultants.

L. [\\$612] Organization and Standing of Developer

The Developer is a California limited liability company, duly qualified to do business and in good standing under the laws of each jurisdiction where the operation of its business or its ownership of property makes such qualification necessary, and has all requisite power and authority to own and operate its properties, to carry on its business as now and whenever conducted, and to enter into and perform its obligations under this Agreement.

M. [\\$613] Licenses

The Developer has duly obtained and maintained, and will continue to obtain and maintain all material licenses, permits, consents and approvals required by all applicable governmental authorities to own and operate the development to be constructed pursuant to this Agreement.

N. [\\$614] Authorization and Consents

The execution, delivery and performance of this Agreement are consistent with all consents, approvals and authorizations of all applicable governmental authorities.

O. [\\$615] Litigation and Compliance

To the best of the knowledge of the Developer, there are no suits, other proceedings or investigations pending or threatened against, or affecting the business or the properties of the Developer, if determined adversely to the Developer, would have a materially adverse effect on the financial condition of the Developer; nor is the Developer in violation of any laws or ordinances.

P. [\\$616] Default

To the best of the Developer's knowledge, there are no facts now in existence which would, with the giving of notice or the lapse of time, or both, constitute a default hereunder by the Developer.

Q. [§617] Compliance with Scope of Development

The construction and completion of any or all of the Scope of Development to be constructed on the Site by the Developer will be in accordance and compliance with all Plans approved by the Commission pursuant to this Agreement, and as completed: (i) will comply with all applicable Governmental Restrictions, including, without limitation, compliance with all laws and ordinances necessary to permit development, completion, use, and sale, as permitted by this Agreement; (ii) will not encroach upon the land of others or abound any easement or right-of-way; (iii) will be wholly within any enforceable building restriction lines, however established, and will not violate any enforceable use, easement, license, covenant, condition or restriction.

R. [§618] Notice From Governing Jurisdiction

The Developer has not received any notice from any governing jurisdiction of any violation of laws and ordinances, nor any notice requiring any improvements or alteration to be made in connection with the Scope of Development to be constructed on the Site other than those specified in this Agreement.

S. [§619] Adverse Conditions, Etc

The Developer does not know or have any reason to know of any adverse condition or circumstance, pending or threatened litigation, governmental action, or other condition, which could prevent or materially impair the Developer's ability to develop the Site as contemplated by the terms of this Agreement.

T. [§620] Time Extensions

In addition to the provision set forth in Section 604 of this Agreement, times of performance under this Agreement may be extended in writing by the Commission's Executive Director (with respect to times for performance by Developer) and the Developer (with respect to times for performance by the Commission).

VII. [§700] SPECIAL PROVISIONS

A. [§702] Amendments to this Agreement

The Developer and the Commission agree to mutually consider reasonable requests for amendments to this Agreement that may be made by any of the parties hereto, lending institutions, or counsel or financial consultants to the Commission, provided such requests are consistent with this Agreement and would not substantially alter the basic business terms included herein.

B. [§703] Safely Surrendered Baby Law

The Developer shall notify and provide to its employees, and shall require each contractor and subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to

safely surrender a baby. The fact sheet is set forth in Attachment 15 to this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

The Developer acknowledges that the Commission and the County place a high priority on the implementation of the Safely Surrendered Baby Law. The Developer understands that it is the Commission's policy to encourage all contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the contractor's place of business. The Developer will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Developer with the poster to be used.

C. [§704] Jury Service

The Developer shall comply with, and shall cause its contractors and subcontractors to comply with (and shall include in all of its contracts with its contractors and subcontractors) the provisions of Attachment 16 hereto.

D. [§705] Federal Lobbyist Requirements

The Developer is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 Code of Federal Regulations (CFR) 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Developer must certify in writing that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Developer will comply with the Lobbyist Requirements as set forth in the Federal Lobbyist Certification, which is attached hereto as Attachment 17.

Failure on the part of the Developer or persons/subcontractors acting on behalf of the Developer to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

E. [§706] Termination for Improper Consideration

The Commission may, by written notice to Developer, immediately terminate the right of Developer to proceed under this Agreement if the Commission or County determines that consideration, in any form, was offered or given by Developer, either directly or through an intermediary, to any Commission officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Developer's performance pursuant to this Agreement. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Developer as it could pursue in the event of default by the Developer.

The Developer shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to the Commission's Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861. Among other items, such improper consideration may take the form of cash, discounts, service the provision of travel or entertainment, or tangible gifts.

F. [§707] Commission's Quality Assurance Plan

Until the Covenant Release Date, the Commission or its agents will evaluate Developer's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Developer's compliance with all contract terms and performance standards. Developer deficiencies which Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. A copy of any such report shall concurrently be delivered to Developer. The report will include improvement/corrective action measures to be taken by the Commission and Developer. If improvement does not occur consistent with the corrective action measures, and such corrective action measures are reasonable and provide for a reasonable amount of time for Developer to achieve the same, Commission may terminate this Agreement or foreclose under the Commission Deed of Trust, upon providing notice in accordance with Section 601, or impose other penalties as specified in this Agreement.

G. [§708] Compliance with Laws

Developer agrees to be bound by applicable federal, state and local laws, regulations and directives as they pertain to the performance of the Agreement, including, but not limited to, Sections a-f below. This Agreement is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and Title 24 of the Code of Federal Regulations (CFR) Part 85.

(a) Civil Rights Act of 1964, Title VI

Developer shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance.

(b) Section 109 of HUD Act of 1974

Developer shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

(c) Executive Order 11246 and 11375 Equal Opportunity in Employment
(Non-discrimination in Employment by Government Contractors and Subcontracts)

Developer shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Agreement, the Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provision of the non-discrimination clause.

The Developer will, in all solicitations for advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Developer will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency of the Developer's comments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Developer will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Developer will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Developer's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Developer may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Developer will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Developer will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Developer becomes involved in, or is threatened with litigation with a

subcontractor or vendor as a result of such direction by the Commission, the Developer may request the United States to enter into such litigation to protect the interests of the United States.

(d) Section 3 of the Housing and Community Development Act of 1968, As Amended, 12 U.S.C. 1701 et seq.

Developer shall comply with Section 3 of the Housing and Community Development Act of 1968, as Amended 12 U.S.C. 1701 et seq., which requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the Project Area and contracts for work in connection with the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the Project.

(e) Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973.

No person in the United States shall be excluded from participation in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified handicapped individual.

(f) Section 20688.3 of the Public Contract Code.

To the greatest extent feasible, opportunities for training and employment arising from any contract for work to be performed in connection with any redevelopment project shall be given to the lower income residents of the Project Area.

H. [§709] Access and Retention of Records

Developer shall provide access to the Commission, the Federal Grantor agency, the Controller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Developer which are directly pertinent to the specific contract for the purpose of making audits, examinations, excerpts and transcription. The Developer is required to retain the aforementioned records for a period of five years after the Commission releases the Holdback Amount under Section 206 hereof and other pending matters are closed under this Agreement.

I. [§710] Safety Standards and Accident Prevention

The Developer shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Developer shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

J. [§711] Drug-Free Workplace Act of the State of California

Developer certifies under penalty of perjury under the laws of the State of California that the Developer will comply with the requirements of the Drug-Free Workplace Act of 1990.

K. [§712] Severability

In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

L. [§713] Interpretation

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if it were drafted by both parties hereto.

M. [§714] Developer's Warranty of Adherence to County's Child Support Compliance Program

The Developer acknowledges that the County of Los Angeles, hereinafter referred to as "County", has established a goal of ensuring that all individuals who benefit financially from County through contract, are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Developer's duty under this Agreement to comply with all applicable provisions of law, Developer warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

N. [§715] Termination for Breach Of Warranty To Maintain Compliance With County's Child Support Compliance Program

Failure of Developer to maintain compliance with the requirements set forth in Section 714, "Developer's Warranty of Adherence to County's Child Support Compliance Program" shall constitute a default by Developer under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County District Attorney shall be grounds upon which the County Board of Commissioners may terminate this Agreement pursuant to Sections 501 through 511 hereinabove or foreclose under the Commission Deed of Trust.

O. [§716] Post L.A.'s Most Wanted Delinquent Parents List

Developer acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Developer understands that it is County's and Commission's policy to voluntarily post a list entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Developer's place of business. District Attorney will supply Developer with the poster to be used.

P. [§717] Independent Developer

This Agreement does not, is not intended, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Developer.

Q. [§718] Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

R. [§719] Copyright

No report or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of Developer. All documents become the property of the Commission and the Commission holds all rights to said data.

S. [§720] Confidentiality of Reports

The Developer shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder (collectively, the "Reports"). Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission. Notwithstanding the foregoing, nothing in this Section 720 shall prohibit Developer from sharing the Reports with the Developer Representatives in the ordinary course of business.

T. [§721] Reserved

U. [§722] Reserved

V. [§723] Use of Recycled-Content Paper Products

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Developer agrees to use recycled-content paper to the maximum extent possible on this Project.

W. [§724] Notice to Employees Regarding the Federal Earned Income Credit

Developer shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal

income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015 (Attachment 18).

X. [§725] Employment and Training

To the extent that Developer will directly hires new staff required to develop the Project, the Developer agrees to undertake during construction to provide employment and training opportunities to low to moderate-income persons residing within the Project Area.

The Developer agrees to make available to MBE/WBE subcontractors as part of the development. The developer is to use its diligent efforts to ensure that the General Contractor seeks to employ persons residing within the boundaries of the service area identified in the Section 108 Loan application to HUD.

VIII. [§800] ENTIRE AGREEMENT, WAIVERS, AND AMENDMENTS

This Agreement is executed in four (4) duplicate originals, each of which is deemed to be an original. This Agreement consist of Pages 1 through 43 and Attachments 1 through 18, attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Commission and the Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of the Commission and the Developer.

Notwithstanding anything to the contrary in this Agreement, this Agreement, in its entirety and in all respects shall be completely terminated and of no force or effect upon the Covenant Release Date.

IX. [§900] TIME FOR ACCEPTANCE OF AGREEMENT BY COMMISSION

This Agreement, when executed by the Developer and delivered to the Commission, must be authorized, executed, and delivered by the Commission within forty-five (45) days after the date of signature by the Developer or this Agreement shall be void, except to the extent that the Developer shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement.

The effective date of this Agreement shall be the date when this Agreement has been signed by the Commission and all references in this Agreement to the "date of this Agreement" shall be deemed a reference to the effective date of this Agreement.

COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY OF
LOS ANGELES

LA ALAMEDA, LLC, a California limited
liability company

By: _____
Carlos Jackson
Executive Director

By: _____

Its _____

Date: _____
"COMMISSION"

Date: _____
"DEVELOPER"

APPROVED AS TO PROGRAM
FOR THE COMMISSION:

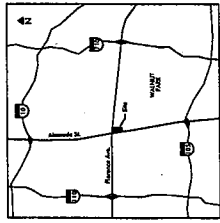
APPROVED AS TO FORM
FOR THE COMMISSION:

RAYMOND G. FORTNER, JR.
County Counsel

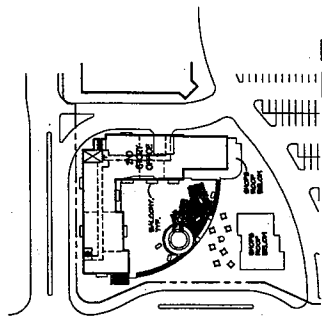
By: _____
Corde Carrillo, Director
Economic/Redevelopment
Division

By: _____
Deputy

[ATTACHMENTS TO BE PROVIDED]



Vicinity Map

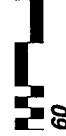


PHASE I
Parking Provided: 838

PHASE II
Parking Provided: 219

PLAZA OFFICE
2ND LEVEL
18,000 SF. NET

PLAZA PARKING LEVEL



Summary

Land	±17.9 AC	±779,051 SF
Building: Retail		222,012 SF
Office		18,000 SF
Total		240,012 SF
Parking Provided		1,073 stalls
Standard		830 stalls
Compact		243 stalls
(Including 37 H.C. stalls)		
Parking Ratio		4.47/1000

ALL MEASUREMENTS AND CALCULATIONS ARE BASED ON THE LATEST AVAILABLE AERIAL PHOTOGRAPHY AND THE LATEST AVAILABLE RECORD DRAWINGS. THE DEVELOPER ASSUMES RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED HEREIN. THE INFORMATION IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF Nadel Architects Inc.

SITE PLAN

FLORENCE @ ALAMEDA
WALNUT PARK, CA.



LA ALAMEDA



DATE: JUNE 15, 2005
DRAWN BY: JH/117

1995 S. BRADY ST., SUITE 100
LOS ANGELES, CA 90015
310.461.1177
WWW.NADELARCHITECTS.COM

Nadel Architects Inc

EXHIBIT "A"
DESCRIPTION OF LAND

IN THE UNINCORPORATED TERRITORY OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, BEING DESCRIBED AS FOLLOWS:

LOTS 1 TO 4 INCLUSIVE AND LOTS 25 TO 27 INCLUSIVE OF THE REM NADEAU TRACT, AS PER MAP RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 7.5 FEET OF LOT 26 OF SAID REM NADEAU TRACT.

TOGETHER WITH LOTS 1, 2, 3 AND 12 OF THE REM NADEAU TRACT NO. 2, AS PER MAP RECORDED IN BOOK 8, PAGE 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THE NORTHERLY 30 FEET OF SAID LOT 1 CONDEMNED FOR WIDENING FLORENCE AVENUE BY DECREE IN CASE NO. 156888, SUPERIOR COURT.

TOGETHER WITH LOTS 4 TO 11, INCLUSIVE, OF REM NADEAU TRACT NO. 2, AS PER MAP RECORDED IN BOOK 8, PAGE 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT CERTAIN ALLEY, AS SHOWN ON MAP OF THE REM NADEAU TRACT, RECORDED IN BOOK 6, PAGE 71, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS VACATED IN DOCUMENT RECORDED NOVEMBER 1, 1967 AS INSTRUMENT NO. 3410, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF TRACT NO. 30326, FILED IN BOOK 819, PAGE 42, RECORDS OF SAID COUNTY; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 1, NORTH 89° 29' 45" EAST, A DISTANCE OF 185.33 FEET; THENCE SOUTH 00° 36' 25" EAST, A DISTANCE OF 5.00 FEET; THENCE NORTH 89° 29' 45" EAST, A DISTANCE OF 327.30 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF ROSEBERRY AVENUE; THENCE, ALONG SAID RIGHT OF WAY, SOUTH 00° 39' 35" EAST, A DISTANCE OF 395.00 FEET TO THE SOUTHEASTERLY CORNER OF LOT 11 OF THE REM NADEAU TRACT NO. 2 FILED IN BOOK 8, PAGE 19; THENCE LEAVING SAID RIGHT OF WAY, SOUTH 89° 29' 45" WEST, A DISTANCE OF 142.66 FEET; THENCE SOUTH 00° 36' 25" EAST, A DISTANCE OF 20.00 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 1; THENCE SOUTH 89° 29' 45" WEST, A DISTANCE OF 185.00 FEET; THENCE NORTH 00° 36' 25" WEST, A DISTANCE OF 20.00 FEET; THENCE SOUTH 89° 29' 45" WEST, A DISTANCE OF 112.91 FEET; THENCE NORTH 10° 52' 00" WEST, A DISTANCE OF 406.63 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION INCLUDED WITHIN LOT 1 OF SAID TRACT 30326.

TOGETHER WITH LOT 1 OF TRACT NO. 30326, AS PER MAP RECORDED IN BOOK 819, PAGES 41 AND 42 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 1, 2 AND 3 OF TRACT NO. 334, AS PER MAP RECORDED IN BOOK 14, PAGE 72 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 1, 2 AND 3 OF TRACT NO. 4632, AS PER MAP RECORDED IN BOOK 50 PAGE 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER, TOGETHER WITH LOTS 13, 14, 15 AND 16 OF REM-NADEAU TRACT, AS PER MAP RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THAT PORTION OF COTTAGE STREET AS SHOWN ON MAP OF REM-NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WHICH LIES SOUTHERLY OF A LINE PARALLEL WITH AND 20 FEET SOUTHERLY MEASURED AT RIGHT ANGLES FROM THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 16 OF SAID REM-NADEAU TRACT, VACATED BY RESOLUTION OF BOARD OF SUPERVISORS OF SAID COUNTY ADOPTED NOVEMBER 15, 1955 A CERTIFIED COPY THEREOF BEING RECORDED IN BOOK 49550, PAGE 346 OFFICIAL RECORDS OF SAID COUNTY, TOGETHER WITH THAT CERTAIN ALLEY IN SAID COUNTY AND STATE AS SHOWN ON MAP OF TRACT 4632, RECORDED IN BOOK 50 PAGE 18 OF MAPS RECORDS OF SAID COUNTY, VACATED BY SAID ABOVE MENTIONED RESOLUTION.

TOGETHER WITH LOTS 3, 4 AND 5 OF THE REM NADEAU SUBDIVISION, AS PER MAP RECORDED IN BOOK 10 PAGE 116 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 4, 5, 6, 7 AND 8 OF TRACT NO. 334, AS PER MAP RECORDED IN BOOK 14 PAGE 72 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 27, 28, 50, 51, 52, 53, 54, 55, 56 AND 57 OF WALTER A. NADEAU TRACT, AS PER MAP RECORDED IN BOOK 10 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH ALL THAT PORTION OF WALTER STREET AS VACATED, LYING WEST OF THE SOUTH PROLONGATION OF THE EAST LINE OF LOT 57 OF WALTER A. NADEAU TRACT, AS PER MAP RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AND ALL OF THAT PORTION OF THE FIRST ALLEY SOUTH OF SAID WALTER STREET LYING WEST OF THE SOUTHERLY PROLONGATION OF THE EAST LINE OF LOT 52 OF SAID WALTER A. NADEAU TRACT.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE, BY MAP OF WALTER A. NADEAU TRACT, RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF THE RECORDER OF THE SAID COUNTY, LYING NORTHERLY OF A LINE PARALLEL WITH AND 5 FEET NORTHERLY OF THE SOUTHERLY LINE OF LOT 58 OF SAID TRACT.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 5 FEET AND VARIABLE WIDTH, IN ABOVE MENTIONED UNINCORPORATED TERRITORY, DESCRIBED AS PART (D) AND PART (F) IN A ROAD DEED TO SAID COUNTY, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, IN DEED RECORDED ON MAY 20, 1988, AS DOCUMENT NO. 88-810504, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER.

EXCEPTING THEREFROM THE SOUTHERLY 5 FEET OF ABOVE SAID PART (D).

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, DESCRIBED IN ROAD DEEDS TO SAID COUNTY, FOR PUBLIC ROAD AND HIGHWAY PURPOSES RECORDED ON APRIL 17, 1936, AS DOCUMENT NO. 1186, IN BOOK 14105, PAGE 99, AS DOCUMENT 1187, IN BOOK 14031, PAGE 304, AS DOCUMENT NO. 1188, IN BOOK 14024, PAGE 332, AS DOCUMENT NO. 1189, IN BOOK 14114, PAGE 61, AS DOCUMENT NO. 1190, IN BOOK 14084, PAGE 142, AND AS DOCUMENT NO. 1191, IN BOOK 14072, PAGE 208, ALL OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER, LYING WESTERLY OF AND ADJOINING LOTS 1 THROUGH 8 INCLUSIVE, OF TRACT NO. 334, RECORDED IN BOOK 14, PAGE 72 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF GEO J. NADEAU TRACT, RECORDED IN BOOK 7, PAGE 73 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING SOUTHERLY OF THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 2 OF TRACT NO. 4632, AS SHOWN ON MAP RECORDED IN BOOK 50, PAGE 18 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT PORTION OF COTTAGE STREET, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF REM NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING NORTHERLY OF THE NORTHERLY BOUNDARY OF TRACT NO. 30326, FILED IN BOOK 819, PAGES 41 AND 42 OF MAPS IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT CERTAIN ALLEY, 15 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF REM NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING SOUTHERLY OF AND ADJOINING LOTS 1 TO 4 AND LOTS 25 TO 27 INCLUSIVE, OF SAID TRACT.

TOGETHER WITH THAT CERTAIN ALLEY, 15 FEET WIDE AS SHOWN ON SAID REM NADEAU TRACT NO. 2, LYING SOUTHERLY OF AND ADJOINING LOTS 1 TO 3 INCLUSIVE OF SAID TRACT.

TOGETHER WITH THAT CERTAIN ALLEY, 5 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF TRACT NO. 30326 FILED IN BOOK 819, PAGES 41 AND 42 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT CERTAIN ALLEY, 7.5 FEET WIDE, DESCRIBED IN A ROAD DEED TO SAID COUNTY, FOR ROAD AND HIGHWAY PURPOSES RECORDED ON JULY 26, 1982, AS DOCUMENT NO. 82-749355, OF OFFICIAL RECORDS, IN THE OFFICE OF THE SAID RECORDER.

TOGETHER WITH THAT CERTAIN PORTION OF ALLEY, 12 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF WALTER A. NADEAU TRACT, RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING NORTHERLY OF AND ADJOINING LOTS 28 AND 29, OF SAID TRACT.

EXCEPTING THEREFROM THE EASTERLY 5 FEET.

THE ABOVE DESCRIBED PARCEL CONTAINS 18.3 ACRES, MORE OR LESS.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE A PART HEREOF.

SUBJECT TO ALL COVENANTS, RIGHTS, RIGHTS-OF-WAY AND EASEMENTS OF RECORD.

FLORENCE

AVENUE

REM NADEAU TRACT

1 2 3 4

STREET

M.B. 6/71

25 26 27 1 2 3

COTTAGE

ALLEY

ALLEY

U.P. R.R. R/W

LOT 1
TRACT 30326
M.B. 8/49/41-42



SCALE: 1"=80'

ALLEY (VAC)

REM NADEAU TRACT No 2 M.B. 8/19

4 5 6 7 8 9 10

ROSEBERRY AVENUE

SEE SHEET 2

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 1 OF 4

LEGAL DESCRIPTION

LA ALAMEDA PROJECT
WALNUT PARK, CALIFORNIA



Development Resource Consultants, Inc.

Civil Engineering • Land Surveying • Environmental
8175 E. KAISER BOULEVARD
ANAHEIM HILLS, CA 92808 (714) 685-6880

SEE SHEET 1

ALLEY (VAC)

REM NADEAU
TR. M.B. 6/71

1/5 1/4 1/3

COTTAGE ST.
VACATED

REM NADEAU
TR. M.B. 6/71

1/6

1/2

ALLEY (VAC)

TRACT NO. 4632
M.B. 50/18

1

2

3

3

REM NADEAU SUBDIVISION
M.B. 10/116

4

5

SEE SHEET 3

ROSEBERRY AVENUE

ALAMEDA STREET

U.P. R.R. R/W



SCALE: 1"=80'

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 2 OF 4

LEGAL DESCRIPTION

LA ALAMEDA PROJECT
WALNUT PARK, CALIFORNIA



Development Resource Consultants, Inc.

Civil Engineering • Land Surveying • Environmental
8175 E. KAISER BOULEVARD
ANAHEIM-HILLS, CA 92808 (714) 685-6860

SEE SHEET 2

ALAMEDA STREET

U.P. R.R. R/W

ROSEBERRY AVENUE

TRACT NO. 334
M.B. 14/72

2

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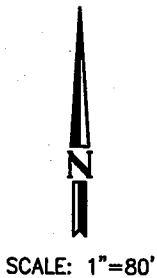
54

55

56

57

WALTER ST (VAC.)



SEE SHEET 4

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 3 OF 4

LEGAL DESCRIPTION

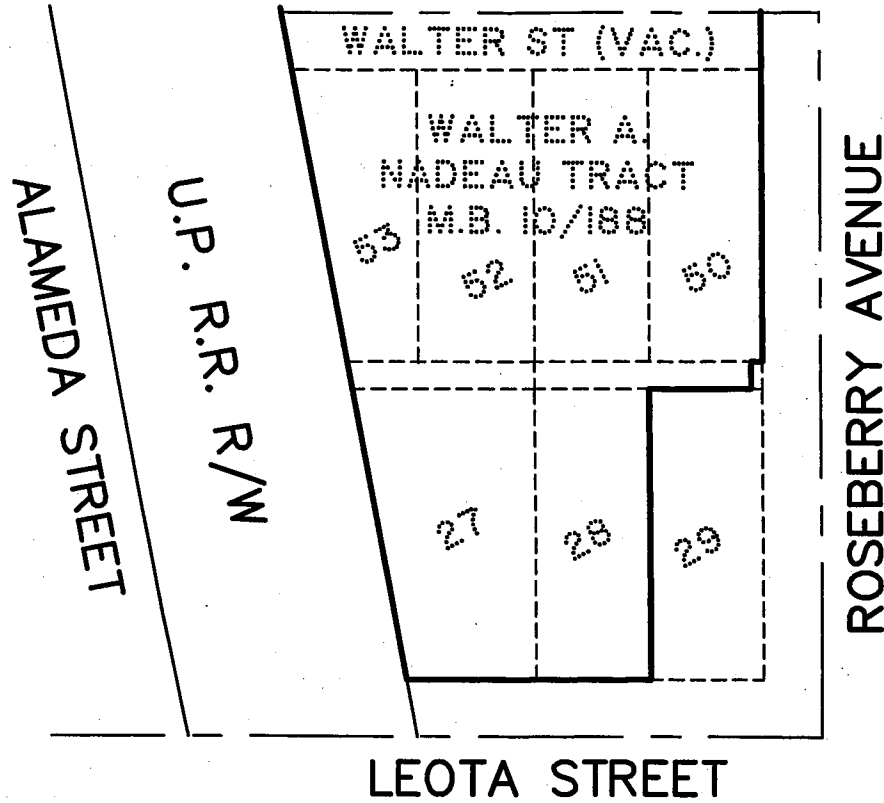
LA ALAMEDA PROJECT
WALNUT PARK, CALIFORNIA



Development Resource Consultants, Inc.

Civil Engineering • Land Surveying • Environmental
8175 E. KAISER BOULEVARD
ANAHEIM-HILLS, CA 92808 (714) 685-6860

SEE SHEET 3



SCALE: 1"=80'

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 4 OF 4

LEGAL DESCRIPTION

LA ALAMEDA PROJECT
WALNUT PARK, CALIFORNIA



Development Resource Consultants, Inc.
Civil Engineering • Land Surveying • Environmental
8175 E. KAISER BOULEVARD
ANAHEIM, HILLS, CA 92808 (714) 685-6860

ATTACHMENT 3**SCHEDULE OF PERFORMANCE**

No.	DESCRIPTION	SCHEDULE/ TIMING
1.	Developer to Submit Basic Concept Drawings	Completed May 10, 2005
2.	Approval of Basic Concept Drawings	No later than 15 days from submittal
3.	Commission Approval of Environmental Impact Report	July 5, 2005
4.	Commission Approval of Development Agreement HUD Approval of Funding Statement of Overriding Considerations	August 15, 2005
5.	Developer Deposit of Administrative Fee	No later than 5 days from Agreement Approval
6.	Developer to Submit Development Schedule	Week of October 3, 2005
7.	Developer to Submit Project Team Staffing Plan	Week of October 3, 2005
8.	Developer to Submit Schematic Design Documents	Week of October 17, 2005
9.	Commission Approval of Schematic Design Documents	No later than 15 days from submittal
10.	Developer to Submit Construction Documents	Week of December 19, 2005
11.	Commission Approval of Construction Documents	No later than 15 days from submittal
12.	Developer to Submit Grading Plans	Week of December 19, 2005
13.	Commission Approval of Grading Plans	No later than 15 days from submittal
14.	Developer to Provide Commission Evidence of Financing	Week of May 8, 2006
15.	Building Permit Approval	Week of May 29, 2006
16.	Developer Submittal of Construction Contract	Week of July 10, 2006
17.	Commission to Fund Loan and Grant	Week of July 10, 2006

No.	DESCRIPTION	SCHEDULE/ TIMING
18.	Commence Construction of Project (includes off-site improvements)	July 2006
19.	Completion of Construction of Project	July 2007
20.	Certification of Completion (Administrative Deposit to be applied to Section 108 repayment)	No later than 3 days from completion of construction
21.	Developer to Submit Certification of Costs	No later than 180 days from filing of the Certificate of Completion
22.	Covenant Release Date	Upon repayment of Section 108 loan.

SCOPE OF DEVELOPMENT

I. GENERAL DESCRIPTION

The Site is bounded by Florence Avenue to the north, Roseberry Avenue to the east, Leota Street to the south, and Alameda Street to the west. The parcels are to be consolidated into a single lot in connection with its redevelopment as provided herein. The Site is located in an unincorporated community of Los Angeles County called Walnut Park. The Site is in need of redevelopment, as its present use is a collection of obsolescent and deteriorating industrial and commercial buildings as well as vacant, under-utilized land. The redevelopment of the Site in accordance with this Agreement will serve as a catalyst for further redevelopment of surrounding areas, while creating additional revenues to the Commission, increased employment opportunities to residents of the County and surrounding areas, and an enhanced business and social environment.

II. DESIGN OBJECTIVES

Following is a statement of design objectives for development of the Site:

The creation of a high quality commercial retail center reflecting concern for architectural and urban design principles both in terms of the development itself and its compatibility with the Community of Walnut Park and the surrounding areas.

III. SITE PREPARATION AND DEMOLITION

A. Demolition. Developer shall, at its sole cost and expense, and without expense to the Commission, prepare the Site for redevelopment as contemplated herein. Such preparation of the Site shall include, without limitation, the following:

1. Remove and relocate existing utility services, water, sewer, electrical, and gas lines, and streets, curbs, gutter and sidewalks on the Site as necessary to allow redevelopment of the Site as required by this Agreement.
2. Complete Site grading and preparation necessary to provide for redevelopment of the Site as required by this Agreement.
3. All demolition work undertaken by Developer shall be performed in accordance with all applicable Governmental Restrictions.

IV. DEVELOPER IMPROVEMENTS

A. Developer shall construct or cause to be constructed the following Developer Improvements:

1. Construction and operation of a first-class, regional shopping center containing approximately two hundred forty thousand and twelve (240,012) square feet per the approved Site Plan.

The Shopping Center shall have a Construction Cost of not less than sixty Dollars (\$60) per square foot of building area. For purposes of this paragraph, "Construction Cost" shall mean the direct, out of pocket costs of constructing the Shopping Center shell, installing the furniture and fixtures therein, and installing the landscaping and parking improvements on the Site. "Construction Cost" shall not include any other costs related to the improvements at issue, such as operating costs, or any indirect or soft costs, including, but not limited to, architectural, legal, or engineering fees, inspection or connection fees, franchise fees, interest reserve, loan fees, pre-opening costs, contingency reserves, or developer fees.

2. Parking for not less than one thousand, seventy three (1,073) passenger cars and as provided in the approved Site Plan.

V. PUBLIC IMPROVEMENTS

A. Developer, at Developer's expense, shall be required to provide or cause to be provided certain on-site public improvements, as necessary for the project, within the time set forth in the Schedule of Performance, including, but not limited to:

1. Preparation of a covenant to tie all owned parcels as one.
2. Resurfacing, rebuilding, and/or replacement of on-site existing streets, alleys (including catch basins, curbs and gutters, drives and curb cuts, and drives between the property line of the Site and the public right-of-way), and any other on-site improvements required of Developer.
3. Installation or relocation of on-site sewers, drains, water and gas distribution lines, electric, telephone lines, and other public utility lines, installations, and facilities as are necessary to be installed or relocated in connection with redevelopment of the Site.
4. Removal of all abandoned driveway approaches as per approved Site Plan.

5. Removal and/or replacement of any public works improvements damaged during construction of the Shopping Center.

6. Installation of any necessary domestic waterline improvements, domestic sanitary sewer and domestic storm drain improvements on-site required for site specific use as per approved Site Plan.

B. All of Items 1 through 6, inclusive, shall be performed in accordance with the technical specifications, standards, and reasonable requirements of, and under the direction of the Commission. Once such items are constructed, Developer shall be responsible at its expense for any and all repairs due to damage caused by Developer's construction, and changes required by Developer.

C. Commission does not and cannot stipulate to the requirements of other public and quasi-public agencies (i.e. gas, electric and telephone).

VI. DEVELOPMENT STANDARDS

The following shall be completed as per the approved Site Plan and Sign Criteria:

A. Building Setbacks. Minimum building setbacks for building and parking areas, and enhancement of those areas with landscaping shall be required the County of Los Angeles Code and the Florence-Firestone Community Standards District.

B. Building Coverage. The amount of land within the Site covered by buildings shall be as required by the County of Los Angeles Code and the Florence-Firestone Community Standards District.

C. Building Heights. The building height limitation shall be in accordance with the County of Los Angeles County and the Florence-Firestone Community Standards District.

D. Vehicular Access. The placement of vehicular driveways shall be pursuant to the approved site plan herewith.

E. Signs. The signs will be subject to Commission approval and shall comply with all applicable Governmental Restrictions and approved Sign Criteria.

F. Landscaping. Developer shall provide and maintain landscaping with the public right-of-way and within setback areas along all street frontages. Developer shall provide landscaping in areas shown on the Site Plan and maintain and automatically irrigate such landscaping.

- G. Utilities. All utilities on the Site shall be at Developer's expense.
- H. Building Design. Each structure shall be constructed such that the design of the building reflects a high quality of development consistent with the purpose of this Agreement and in conformance with all applicable Governmental Restrictions.
- I. Standards. The criteria and standards established by the Florence-Firestone Community Standards District are hereby incorporated as a part of this Agreement. In no case is Developer relieved of the requirements of the District or of any applicable Governmental Restrictions.
- J. Service Area. All refuse shall be kept in enclosed containers stored in masonry enclosures readily accessible to off-street loading and servicing and/or kept in enclosed containers.
- K. Codes. The project shall be developed in accordance with all applicable building codes.

VII. COMMISSION/ COUNTY OF LOS ANGELES IMPROVEMENTS

- A. Subject to the terms and conditions set forth in the Agreement, Commission and/or County shall be responsible for:
 - 1. Access Bridge Improvements (as defined in the Agreement)
 - 2. Bus pad and turn-out improvements along Florence Avenue.

**Annual Sales and Property Tax
La Alameda
Los Angeles California**

Sales Taxes				Property Taxes				
Stabilized Sales				Valuation		Taxes at		
Stabilized Sales Tax				Taxes at		0.24%		
				\$ 52,959,750		\$ 31,000,000		
				\$ 529,598		\$ 73,780		
Year	Growth Factor	Sales Tax	Less Base	Net Sales Taxes	Property Valuation	Less Base	Net Property Value	Taxes at 0.00238
1	-25%	\$ 397,198	\$ (6,500)	\$ 390,698	\$ 31,000,000	\$ (10,396,000)	\$ 20,604,000	\$ 49,038
2	-10%	\$ 490,937	\$ (6,695)	\$ 484,242	\$ 31,620,000	\$ (10,603,920)	\$ 21,016,080	\$ 50,018
3	0	\$ 561,850	\$ (6,896)	\$ 554,954	\$ 32,252,400	\$ (10,815,998)	\$ 21,436,402	\$ 51,019
4	103%	\$ 578,705	\$ (7,103)	\$ 571,603	\$ 32,897,448	\$ (11,032,318)	\$ 21,865,130	\$ 52,039
5	103%	\$ 596,067	\$ (7,316)	\$ 588,751	\$ 33,555,397	\$ (11,252,965)	\$ 22,302,432	\$ 53,080
6	103%	\$ 613,949	\$ (7,535)	\$ 606,413	\$ 34,226,505	\$ (11,478,024)	\$ 22,748,481	\$ 54,141
7	103%	\$ 632,367	\$ (7,761)	\$ 624,606	\$ 34,911,035	\$ (11,707,585)	\$ 23,203,450	\$ 55,224
8	103%	\$ 651,338	\$ (7,994)	\$ 643,344	\$ 35,609,256	\$ (11,941,736)	\$ 23,667,519	\$ 56,329
9	103%	\$ 670,878	\$ (8,234)	\$ 662,644	\$ 36,321,441	\$ (12,180,571)	\$ 24,140,870	\$ 57,455
10	103%	\$ 691,005	\$ (8,481)	\$ 682,524	\$ 37,047,870	\$ (12,424,182)	\$ 24,623,687	\$ 58,604
11	103%	\$ 711,735	\$ (8,735)	\$ 702,999	\$ 37,788,827	\$ (12,672,666)	\$ 25,116,161	\$ 59,776
12	103%	\$ 733,087	\$ (8,998)	\$ 724,089	\$ 38,544,604	\$ (12,926,119)	\$ 25,618,484	\$ 60,972
13	103%	\$ 755,079	\$ (9,267)	\$ 745,812	\$ 39,315,496	\$ (13,184,642)	\$ 26,130,854	\$ 62,191
14	103%	\$ 777,732	\$ (9,545)	\$ 768,186	\$ 40,101,806	\$ (13,448,335)	\$ 26,653,471	\$ 63,435
15	103%	\$ 801,064	\$ (9,832)	\$ 791,232	\$ 40,903,842	\$ (13,717,301)	\$ 27,186,540	\$ 64,704
16	103%	\$ 825,096	\$ (10,127)	\$ 814,969	\$ 41,721,918	\$ (13,991,647)	\$ 27,730,271	\$ 65,998
17	103%	\$ 849,849	\$ (10,431)	\$ 839,418	\$ 42,556,357	\$ (14,271,480)	\$ 28,284,877	\$ 67,318
18	103%	\$ 875,344	\$ (10,744)	\$ 864,600	\$ 43,407,484	\$ (14,556,910)	\$ 28,850,574	\$ 68,664
19	103%	\$ 901,604	\$ (11,066)	\$ 890,538	\$ 44,275,634	\$ (14,848,048)	\$ 29,427,586	\$ 70,038
20	103%	\$ 928,652	\$ (11,398)	\$ 917,255	\$ 45,161,146	\$ (15,145,009)	\$ 30,016,137	\$ 71,438
Total		\$ 14,043,535	\$ (174,657)	\$ 13,868,878	Present Value at 7%			
Present Value at 7%		\$ 6,889,033	\$ (86,656)	\$ 6,802,377	\$ 1,191,483			
					\$ 604,145			

Total Value of Taxes	
Nominal	\$ 15,060,361
Present Value	\$ 7,406,522

EXHIBIT ONE-Page 1

AMORTIZATION SCHEDULE FOR HUD-108 LOAN TO LOS ANGELES
COUNTY COMMUNITY DEVELOPMENT COMMISSION FOR FLORENCE
ALAMEDA ASSOCIATES, LLC FOR THE LA ALAMEDA SHOPPING
CENTER PROJECT

<u>YEAR</u>	<u>OPENING LOAN BALANCE</u>	<u>INTEREST RATE^A</u>	<u>INTEREST PAYMENT</u>	<u>PRINCIPAL PAYMENT</u>	<u>TOTAL PAYMENT</u>	<u>ENDING LOAN BALANCE</u>
1	\$8,250,000	4.3%	\$354,750	\$425,000	\$779,750	\$7,825,000
2	7,825,000	5.1%	399,075	380,000	779,075	7,445,000
3	7,445,000	5.6%	416,920	365,000	781,920	7,080,000
4	7,080,000	6.0%	424,800	375,000	799,800	6,705,000
5	6,705,000	6.3%	422,415	380,000	802,415	6,325,000
6	6,325,000	6.6%	417,450	385,000	802,450	5,940,000
7	5,940,000	6.8%	403,920	400,000	803,920	5,540,000
8	5,540,000	7.0%	387,800	415,000	802,800	5,125,000
9	5,125,000	7.1%	363,875	435,000	798,875	4,690,000
10	4,690,000	7.2%	337,680	440,000	777,680	4,250,000
11	4,250,000	7.4%	314,500	425,000	739,500	3,825,000
12	3,825,000	7.5%	286,875	425,000	711,875	3,400,000
13	3,400,000	7.6%	258,400	425,000	683,400	2,975,000 ^b
14	2,975,000	7.7%	229,075	425,000	654,075	2,550,000
15	2,550,000	7.8%	198,900	425,000	623,900	2,125,000
16	2,125,000	7.8%	165,250	425,000	590,750	1,700,000
17	1,700,000	7.9%	134,300	425,000	559,300	1,275,000
18	1,275,000	7.9%	100,725	425,000	525,725	850,000
19	850,000	8.0%	68,000	425,000	493,000	425,000
20	425,000	8.0%	34,000	425,000	459,000	—
Average					\$698,461	

^ABased on HUD-108 offering of 6/22/04 plus 2%.

^BCumulative excess sales tax and property tax will permit early repayment of the HUD-108 loan in year 13.

AMORTIZATION SCHEDULE FOR HUD-108 LOAN TO LOS ANGELES
COUNTY COMMUNITY DEVELOPMENT COMMISSION FOR FLORENCE
ALAMEDA ASSOCIATES, LLC FOR THE LA ALAMEDA SHOPPING
CENTER PROJECT

YEAR	NET SALES TAX PER KMA	PROPERTY TAX PER KMA	50% OF TOTAL		EXCESS SALES/ PROP. TAX	CUMULATIVE EXCESS SALES/ PROP. TAX
			50% OF TOTAL PAYMENT FROM CDBG	PAYMENT FROM SALES/ PROP. TAX		
1	\$391,000	49,000	\$389,875	\$389,875	\$50,125	\$50,125
2	484,000	50,000	389,538	389,538	144,462	194,587
3	555,000	51,000	390,960	390,960	215,040	409,627
4	572,000	52,000	399,900	399,900	224,100	633,727
5	589,000	53,000	401,208	401,208	240,792	874,519
6	606,000	54,000	401,225	401,225	258,775	1,133,294
7	625,000	55,000	401,960	401,960	278,040	1,411,334
8	643,000	56,000	401,400	401,400	297,600	1,708,934
9	663,000	57,000	399,438	399,438	320,562	2,029,496
10	683,000	59,000	388,840	388,840	353,160	2,382,560
11	703,000	60,000	369,750	369,750	393,250	2,775,906
12	724,000	61,000	355,938	355,938	429,062	3,204,968
13	746,000	62,000	341,700	341,700	466,300	3,671,268 ^b
14	768,000	63,000	327,038	327,038	503,962	4,175,230
15	791,000	65,000	311,950	311,950	544,050	4,719,280
16	815,000	66,000	295,375	295,375	585,625	5,304,905
17	839,000	67,000	279,650	279,650	626,350	5,931,255
18	865,000	69,000	262,863	262,863	671,137	6,602,392
19	891,000	70,000	246,500	246,500	714,500	7,316,892
20	917,000	71,000	229,500	229,500	758,500	8,075,392
Average	\$693,500	\$59,500	\$349,230	\$349,230		

^aBased on HUD-108 offering of 6/22/04 plus 2%.

^bCumulative excess sales tax and property tax will permit early repayment of the HUD-108 loan in year 13.



Los Angeles Division
 16830 Ventura Blvd., Ste M
 Encino, CA 91436
 818-906-5300
 818-906-5310 fax
 www.stewarttitle.com
 NYSE: STC

Date : August 2, 2005
 Escrow Officer : Andrea Mendoza
 Escrow Number : E054513869
 Property Address : Lot Adjacent to Alameda St. between
 Florence and Leota Street,

CONTRACT AGREEMENT ESCROW INSTRUCTIONS

STEWART TITLE OF CALIFORNIA, INC.
 IS LICENSED BY THE STATE OF CALIFORNIA UNDER THE DEPARTMENT OF INSURANCE. LICENSE NO. 388

The attached copy of Development Agreement dated Blank, 2005 by and between Community Development Commission of the County of Los Angeles (the "Commission") and La Alameda, LLC, a California limited liability company (the "Developer"), is to be construed as your Escrow Instructions, and you are authorized and instructed to act thereunder insofar as closing your escrow is concerned. However, you are only to be concerned with those paragraphs pertaining to the duties and responsibilities of the Escrow Holder, as set forth hereinbelow, and should there be any conflict between these instructions and the terms and conditions in the attached Agreement, the terms and conditions of these instructions shall control. All other items of said Agreement are matters between the parties ONLY, and Escrow Holder shall not be concerned therewith. General Provisions are attached hereto and make a part hereof.

The following items are listed for clarification purposes only to enable Escrow Holder to close the above numbered transaction. Items not listed herein are matters between the parties and Escrow Holder shall not be concerned therewith:

Item II B (202) - Commission's Condition to Fund; Escrow

Notwithstanding anything to the contrary contained within the Purchase and Sale Agreement, Escrow Holder shall not determine if or when a default has occurred, or the defaulting party. Furthermore in the event of cancellation or termination, Buyer and Seller hereby agree to execute mutual cancellation instructions as required by Escrow Holder, outlining the disbursement of funds.

Escrow Holder shall not be concerned with any of the terms of the Development Agreement other than as stipulated above.

Good Funds: Funds must be submitted to escrow no later than the business day preceding recordation and close of escrow unless otherwise agreed upon. Please remit funds in one of the following manners:

- 1) Wire funds to Stewart Title of California, Inc., Los Angeles Division – Escrow Department's bank account, or;
- 2) Deliver to Stewart Title of California, Inc., Los Angeles Division – Escrow Department, a cashier's check made payable to Stewart Title of California, Inc. drawn on a California bank.

Except for Funds Deposited By Wire Transfer, California Insurance Code 12413.1 (Chapter 598, Statutes of 1989) prohibits the disbursement of funds until the day funds are made available under the statute.

Cashier's, Teller's or Certified checks are generally available on the next business day following deposit. Please be advised that failure to meet one of these requirements may delay the date of recordation (close of escrow) and disbursement of funds.

The foregoing instructions and the General Provisions attached hereto are hereby approved by all of the undersigned and they agree to hand you the documents and/or funds as required to comply with same.

ATTACHMENT 7

Seller(s):

County of Los Angeles (The Commission)

By: _____

By: _____

Buyer(s):

La Alameda, LLC, a California limited
liability company

By: _____

By: _____

**EXHIBIT 1
GENERAL PROVISIONS**

1. DEPOSIT OF FUNDS, OPPORTUNITY TO EARN INTEREST AND PRORATIONS

All funds received in this escrow shall be deposited with other escrow funds into one or more non-interest bearing escrow accounts at a financial institution selected by Escrow Agent. Escrow Agent shall not be responsible and shall have no liability for any delay in closing this escrow if the funds deposited are not available for immediate withdrawal as a matter of right pursuant to California Insurance Code Section 12413.1 et. seq. Funds deposited in the financial institution are insured only to the limit provided by the Federal Deposit Insurance Corporation. Escrow Holder shall not be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regards to placement of wires.

You have the opportunity to earn interest on the funds you deposit with us by instructing us to deposit your funds in an interest bearing account. (You do not have an opportunity to earn interest on any funds deposited by a lender) If you elect to earn interest, there is an additional fee in the amount of \$50.00 for establishing and maintaining such an account. It is important that you consider this cost as it may exceed the actual interest you earn.

Should you not elect to earn interest on your deposit, your funds will be deposited in our General Escrow Account at a financial institution insured by the FDIC. This is a non-interest bearing account; however, Stewart Title of California, Inc. may receive certain financial benefits from that financial institution because of the General Escrow Account and its on-going banking relationship. These benefits may include, without limitation, credits allowed by such financial institution on loans to Stewart Title of California, Inc. and earnings on investments made with the proceeds of such loans, accounting, reporting and other services and products of such financial institution. We do not have an obligation to account to you in any manner for the value of, or to compensate any party for, any benefit received by Stewart Title of California, Inc. Any such benefits shall be deemed additional compensation of Stewart Title of California, Inc. for its services in connection with the escrow.

All prorations and/or adjustments called for in this escrow shall be made on the basis of a 30 day month or 360 day year, unless otherwise instructed in writing. Proration of real property taxes including supplemental real property taxes, will be made on the basis of the latest available figures provided to Escrow Holder.

The phrase close of escrow (COE) as used herein means the date on which instruments/documents are recorded.

Disbursements from this escrow will be made by check of Escrow Holder. Unless otherwise instructed in writing, checks will be issued jointly to the parties designated as payees. Signatures (including initials) of principals or their duly authorized agents on any documents/instrument and/or instruction pertaining to this escrow indicate approval of same.

2. SPECIAL RECORDINGS

If a "SPECIAL RECORDING" is arranged and completed, meaning recording the documents called for in this escrow, at any time other than the standard recording time for title companies, then all parties hereto represent and warrant that during the period of time between the standard recording time and the time the documents are actually recorded pursuant to the "SPECIAL RECORDING", no additional liens, encumbrances, or exceptions to the title whether involuntary or voluntary, of any kind or nature will attach to or be recorded against the subject property, nor will the subject property be otherwise transferred or conveyed. All parties hereby expressly agree to indemnify and hold Escrow Holder harmless from all claims, losses or damages and attorney's fees resulting from any such additional liens, encumbrances, exceptions to title, transfers or conveyances.

3. AUTHORIZATION TO DELIVER

If it is necessary, proper or convenient for the consummation of this escrow, Escrow Holder is authorized to deposit or have deposited funds or documents, or both, handed to Escrow Holder under these escrow instructions with any duly authorized sub-escrow agent, including, but not limited to, any bank, trust company, title insurance company, title company, savings and loan association, or licensed escrow agent, at or before close of escrow in connection with closing this escrow. Any such deposit shall be deemed a deposit under the meaning of these escrow instructions.

4. AUTHORIZATION TO FURNISH COPIES

Furnishing copies of any/all escrow instructions, amendments, supplements, preliminary reports, notices of cancellation and closing statements in this escrow to the real estate broker(s), lenders and/or attorney's representing principals to this escrow is authorized. Escrow holder shall not incur any liability to the parties for delivery of said copies.

5. TIME AND WRITTEN NOTIFICATION

Time is of the essence. In the event the conditions of this escrow have not been complied with at the expiration of the time provided for herein you are permitted, though not required, to complete the same at the earliest possible date thereafter. No notice, demand or change of instructions shall be of any effect to alter, amend, supplement, or vary the terms of these instructions unless given in writing and signed by all parties affected thereby.

6. CANCELLATION PROVISIONS

Any principal instructing Escrow Holder to cancel escrow shall file notice of cancellation in Escrow Holder's office in writing and so state the reason for cancellation. Upon receipt of same, Escrow Holder shall prepare cancellation instructions for signatures of the principals and shall forward same to the principals. Upon receipt of mutually agreeable cancellation instructions signed by all principals and after payment of Escrow Holder's cancellation charges, Escrow Holder is authorized to comply with such instructions and cancel the escrow.

7. ACTION IN INTERPLEADER OR OTHER COURT OR LEGAL PROCEEDINGS

The principals hereto expressly agree that Escrow Holder has the absolute right, at its election, to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and Escrow Holder is authorized to deposit with the clerk and the court, all documents, instruments and funds held in escrow. In the event such action is filed, the

principals jointly and severally agree to pay Escrow Holder's cancellation charges and costs, expenses and reasonable attorney's fees it is required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefore to be rendered by the court. Upon filing of such action, Escrow Holder is thereupon fully released and discharged from all obligations to further perform any duties or obligations otherwise imposed by the terms of this escrow.

8. PERSONAL PROPERTY TAX

Escrow Holder is not responsible for any personal property tax which may be assessed to any former owner of the property that is the subject of this escrow, nor for the corporation or license tax of any corporation as a former owner. No examination or insurance as to the amount of payment of personal taxes is required unless specifically requested.

9. LIMITATION ON DUTY TO INFORM

It is agreed by the parties hereto, that so far as Escrow Holder's rights and liabilities are involved, the transaction is an escrow and not any other legal relation and STEWART TITLE OF CALIFORNIA, INC. is an Escrow Holder only on the within expressed terms, and Escrow Holder shall have no responsibility for notifying any of the parties of this escrow of any sale, resale, loan, exchange or other transaction involving any property herein described or of the profit realized by any person, firm or corporation (broker, agent and parties to this and/or other escrow included), in connection therewith, regardless of the fact that such transaction(s) may be handled concurrently by Escrow Holder in this escrow or in another escrow.

10. LEGAL ADVICE

The parties acknowledge and understand that Escrow Holder is not authorized to practice law, nor give financial advice. The parties are hereby advised to seek legal and financial counsel and advice concerning the effect of these escrow instructions. The parties acknowledge that no representations are made by Escrow Holder about the legal sufficiency, legal consequences, financial effect or tax consequences of the within escrow instructions.

11. DISCLOSURE OF CONDITIONS PRECEDENT

The parties to this escrow, by execution thereof, acknowledge their duty to Escrow Holder of full disclosure of those matters, which shall effect the transfer of subject property and conditions of title (inclusive of real personal and intangible property, which matters may result in a lien against subject property). Disclosure shall include, but not limited to: water, stock, owners association or maintenance dues, contractual obligations not automatically terminated upon sale, notes, deeds of trust and vendors liens.

12. STATE/FEDERAL CODE NOTIFICATION

According to Federal law, the Seller(s), when applicable, will be required to complete a 1099-S Worksheet that will be utilized to generate a 1099 reporting statement to the Internal Revenue Service.

You are released from and shall have no liability, obligations or responsibility with respect to (a) withholding of funds pursuant to Section 1445 of the Internal Revenue Code of 1984, "Foreign Investors in Real Property Act" (FIRPTA), as amended (b) advising of requirements, (c) determining whether the seller is a foreign person, under such Section, or (d) obtaining a non-foreign affidavit or other exemption from withholding under such Section nor otherwise making any inquiry concerning compliance with such Section by any party to this transaction.

IN ACCORDANCE WITH SECTION 18662 AND 18668 OF THE REVENUE AND TAXATION CODE, A BUYER MAY BE REQUIRED TO WITHHOLD ANY AMOUNT EQUAL TO 3-1/3 PERCENT OF THE SALES PRICE IN THE CASE OF A DISPOSITION OF CALIFORNIA REAL PROPERTY INTEREST, BY EITHER:

- 1) A SELLER WHO IS AN INDIVIDUAL OR DISBURSEMENT INSTRUCTIONS AUTHORIZED THE PROCEEDS TO BE SENT TO A FINANCIAL INTERMEDIARY OF THE SELLER, OR
- 2) A CORPORATE SELLER THAT HAS NO PERMANENT PLACE OF BUSINESS IN CALIFORNIA.

FOR FAILURE TO WITHHOLD, THE BUYER MAY BECOME SUBJECT TO PENALTY EQUAL TO THE GREATER OF 10 PERCENT OF THE AMOUNT REQUIRED TO BE WITHHELD OR FIVE HUNDRED DOLLARS (\$500.00).

HOWEVER, NOTWITHSTANDING ANY OTHER PROVISION INCLUDED IN THE CALIFORNIA STATUTES REFERENCED ABOVE, NO BUYER WILL BE REQUIRED TO WITHHOLD ANY AMOUNT OR BE SUBJECT TO PENALTY FOR FAILURE TO WITHHOLD IF:

- 1) THE SALES PRICE OF THE CALIFORNIA REAL PROPERTY CONVEYED DOES NOT EXCEED ONE HUNDRED THOUSAND DOLLARS (\$100,000.00), OR
- 2) THE SELLER EXECUTES A WRITTEN CERTIFICATE, UNDER THE PENALTY OF PERJURY, CERTIFYING THAT THE SELLER IS A CORPORATION WITH A PERMANENT PLACE OF BUSINESS IN CALIFORNIA, OR
- 3) THE SELLER, WHO IS AN INDIVIDUAL, EXECUTES A WRITTEN CERTIFICATE UNDER THE PENALTY OF PERJURY, OF ANY OF THE FOLLOWING:
 - A) THAT THE CALIFORNIA REAL PROPERTY BEING CONVEYED IS THE SELLER'S PRINCIPAL RESIDENCE (WITHIN THE MEANING OF SECTION 121 OF THE INTERNAL REVENUE CODE).
 - B) THAT THE CALIFORNIA REAL PROPERTY BEING CONVEYED IS OR WILL BE EXCHANGED FOR PROPERTY OF LIKE KIND (WITHIN THE MEANING OF SECTION 1031 OF THE INTERNAL REVENUE CODE), BUT ONLY TO THE EXTENT OF THE AMOUNT OF GAIN NOT REQUIRED TO BE RECOGNIZED FOR CALIFORNIA INCOME TAX PURPOSES.
 - C) THAT THE CALIFORNIA REAL PROPERTY HAS BEEN COMPULSORILY OR INVOLUNTARILY CONVERTED (WITHIN THE MEANING OF SECTION 1033 OF THE INTERNAL REVENUE CODE) AND THAT THE SELLER INTENDS TO ACQUIRE PROPERTY SIMILAR OR RELATED IN SERVICE OR USE SO AS TO BE ELIGIBLE FOR NONRECOGNITION OF GAIN FOR CALIFORNIA INCOME TAX PURPOSES.
 - D) THAT THE CALIFORNIA REAL PROPERTY TRANSACTION WILL RESULT IN A LOSS FOR CALIFORNIA INCOME TAX PURPOSES.

THE SELLER IS SUBJECT TO PENALTY FOR KNOWINGLY FILING A FRAUDULENT CERTIFICATE FOR THE PURPOSE OF AVOIDING THE WITHHOLDING REQUIREMENT.

13. NO ACTIVITY

If there is no written activity by a principal to this escrow within any six-month period after the time limit date as set forth, in the escrow instructions or written extension thereof, Escrow Holder's obligation shall terminate at Escrow Holder's option. All documents, monies or other items deposited with Escrow Holder shall be returned to the respective parties entitled thereto, less fees and charges herein provided.

14. CAPTIONS AND COUNTERPARTS

Captions in these escrow instructions are inserted for convenience of reference only and do not define, describe or limit the scope of the intent of these instructions or any of the terms hereof. These instructions may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and said counterparts together shall constitute one and the same instrument.

15. BINDING

All terms of these escrow instructions shall be binding upon, inure to the benefit and be enforceable by the parties hereto and their respective legal representatives, successors and assigns. In the event any term, covenant, condition, provision or agreement herein contained is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant, condition, provision or agreement shall in no way affect any other term, covenant, condition, provision or agreement herein contained.

16. USURY

Escrow Holder is not to be concerned with any question of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any liability or responsibility therefore.

17. CONFLICTING DEMANDS/INTERPLEADER

NO notice, demand or change of instructions shall be of any effect in this escrow unless given in writing by all parties affected thereby. If conflicting demands are made in connection with this escrow, Escrow Holder shall have the absolute right to either withhold and stop all proceedings, or file suit in the interpleader and obtain an order from the court requiring the parties to interplead their several claims and rights amongst themselves.

18. FACSIMILE AND ELECTRONIC MAIL

All parties acknowledge that documents and instructions may be transmitted via facsimile (FAX) and/or electronic mail (e-mail). In the event the principals of this transaction, their agents, or assigns, utilize "facsimile (FAX)" transmitted instructions, Escrow Holder may rely and act upon such instructions in the same manner as if original signed instructions were in the possession of Escrow Holder. Any instructions for release of funds will require original signatures prior to said release.

19. DISCRETIONARY TERMINATION

At the sole discretion of Escrow Holder, Escrow Holder may elect to terminate its escrow relationship with the principals to the escrow. Funds and documents will be returned upon mutual instructions of the appropriate parties.

20. PURCHASE AGREEMENT

If any form of Purchase agreement or amendment or supplement (collectively "Purchase Agreement") is deposited to this escrow, it is understood that such document shall be effective only as between the parties signing the Purchase Agreement. Escrow Holder's only duty is to comply with the instructions set forth in the escrow instructions and shall not be responsible for interpreting or acting on any provision of any Purchase Agreement on which these escrow instructions may be based. Escrow Holder shall not rely on any knowledge or understanding Escrow Holder may have of any such Purchase Agreement in ascertaining or performing the duties of Escrow Holder. In connection with any loan transaction, Escrow Holder is authorized to deliver a copy of any purchase agreement and a copy of all escrow instructions, supplements or amendments to the Lender.

21. ENVIRONMENTAL DISCLOSURE

Notwithstanding any actual or other knowledge on the part of Escrow Holder, the parties agree to release Escrow Holder from any and all liability of any kind or nature and to indemnify Escrow Holder of any loss, damages, claims, judgments or costs of any kind or nature resulting from or related to the release or discharge of hazardous or toxic wastes on the subject property whether it occurred in the past or present or may occur in the future which release or discharge is in violation of law, in excess of any state and federal standards, permit requirements and/or disclosure requirements existing at this time or which may exist at a future time. The parties represent that they made their own assessment of the condition of the subject property and have not relied on any of your representations in making the assessment. The parties are advised to seek independent legal and technical environmental expert advice in assessing the risks associated with potential hazardous or toxic wastes.

22. ADDITIONAL DOCUMENTS HANDED TO ESCROW HOLDER

Parties agree to hand Escrow Holder applicable documentation to establish their authority to act. Those documents may include, but shall not be limited to the following:

- 1) If an individual: Statement of Information
- 2) If a corporation: A Corporate resolution signed by the Secretary of the Corporation, authorizing the acquisition, encumbrancing (if applicable), or sale of the subject property, and designating the authorized signatories on behalf of the corporation, together with a copy of the Articles of Incorporation & By-Laws.
- 3) If a Trust: copy of the Trust Agreement, any amendments thereto and/or a Certificate of Trust.
- 4) If a General Partnership: An original Statement of Partnership, in recordable form (if not already recorded) to be recorded in the County in which the subject property is located. A copy of the partnership agreement is also requested.
- 5) If a Limited Partnership: The LP-1 form, certified by the Secretary of State to record (if not already recorded) in the county in which the subject property is located. A copy of the partnership agreement is also requested.
- 6) If a Joint Venture: The requirements specified 1, 2, and 3 herein will be applicable as it relates to the entities which comprise the Joint Venture.
- 7) If a Limited Liability Company (LLC): The LLC1 certified by the Secretary of State to record (if not already recorded) in the county in which the subject property is located. The LLC1 must reflect an expiration date. One person must be named on the LLC1 as managing the LLC, or all members must sign. A copy of the operating agreement is required.

The parties further acknowledge that in the event the partners of a partnership are individuals, it may be required that each such partner submit a completed and executed Statement of Information.

If the Principals have any questions regarding the disposition of Unclaimed Funds, in excess of \$50.00, the Principals should contact the Controller or successor agency for the State of California.

23. DESTRUCTION OF RECORDS

Escrow Holder is authorized to destroy or otherwise dispose of any and all documents, papers, instructions, correspondence and other materials pertaining to this escrow at the expiration of seven (7) years from the close of escrow or cancellation thereof.

24. GOOD FUNDS

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed. STEWART TITLE OF CALIFORNIA, INC. shall not be responsible for accruals of interest or other charges resulting from compliance with the disbursement restrictions imposed by state law.

If any check submitted is dishonored upon presentment for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

25. CHANGE IN OWNERSHIP REPORT

All parties are aware that a "Preliminary Change in Ownership Form" is to be filed with the office of the County Assessor upon recordation of all transfer documents involving real property. As an accommodation only, Escrow Holder shall provide necessary forms to the purchaser herein and in the event the completed form is deposited into escrow prior to close, Escrow Holder shall deliver same to County Assessor concurrently with recordation of the documents being recorded in this transaction.

26. APPLICATION OF PAYOFF FUNDS

Should a check or wire be deemed unacceptable by lenders, creditors, lien holders or beneficiaries of Deeds of Trust, Escrow Holder is authorized to act on our behalf in requesting the funds, as well as any balance in an impound account, be applied towards the balance due.

27. INDEMNITY FOR ATTORNEY'S FEES AND COSTS

In the event suit is brought by any party or parties to this escrow, including Stewart Title of California, Inc., as against each other or others, including, Stewart Title of California, Inc., which results in a dismissal of or judgment in favor of Stewart Title of California, Inc., the parties hereto agree to hold harmless, reimburse and indemnify Stewart Title of California, Inc., its officers and employees, from any loss, expenses, costs and attorney's fees incurred.

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY/OUR INITIAL (S) HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I/WE HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

INITIAL: _____

Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title of California, Inc.

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Stewart Title Guaranty Company, Stewart Title Insurance Company, and Stewart Title of California, Inc.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties permitted by law.

We also may disclose this information about our customers or former customers to companies that perform services on our behalf as permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

LEASING EXHIBIT – ANCHOR TENANTS

Track Auto
Valvoline Instant Oil Change

BEAUTY

Beutyfirst
Beautyfirst Ltd.
Beautystudio
Beauty Systems Gruoup
Body Shop, The
Cosmetic Market & Take Out
Café
Big League Barbers
Fantastic Sams
Great Clips for Hair
Cuttery
Hair Max
Hair Masters
L'Occitane
Lush Fresh Handmade
Cosmetics
Perfect Look Salon
Pure Beauty
Sally Beauty
Supercuts
Ultra Cosmetics
Victoria's Secret Beauty

BOOKS

Barnes & Noble
Book Market
Book Warehouse
Borders, Inc
Brentanos
Half Price Books Records
Magazine
Rizzoli Bookstore
Tower Books
Walden Books

Check Cashing/ Financial
Services
ACE Cash Advance
ACE Cash Express
Advance America Cash Advance
Amscot Financial
Check into Cash
Check 'n Go
Check Smart
Express Payroll Advance

H & R Block
Jackson Hewitt Tax Service
Liberty Tax Service
Southwest Check Cashing

**CHILDREN'S-LEARNING
CENTERS-TOYS**

Babies-R-Us
Children's of America
Kay Bee Toy
Kids-R-Us
Kinder Care Learning Center
Knowledge Beginnings
Lakeshore Learning Store
Rainbow Rascals
The Learning Experience Child-
----Development Centers
The Right Start
Toys-R-Us
Tutor Time Child Care

CLOSEOUT STORES

Big Lots
National Wholesale Liquidators
Tuesday Morning
U.S. Factory Outlets

**CONSUMSER
ELECTRONICS**

Apple Stores
Best Buy
Circuit City Stores
Dell
E.B. Games of America
GameStop
Hhgregg
Queen City Audio Video
RadioShack
REX Stores
Sharper Image, The
Sony Style
Tweeter

CONVENIENCE STORES

7-Eleven
Casey's General Stores
Murphy USA
New Day Naturals
Sheetz

Watermill Express

DEPARTMENT STORES

Burlington Coat Factory

Bergdorf Goodman
Bergner's
Bloomingdale's
Bon-Macy's
Bon-Ton, The
Boston Store
Burdine's- Macy's
Burlington Coat Factory
Carson Pirie Scott
Dillard's
Filene's
Foley's
Goldsmith's-Macy's
Gottschalks/2 story
Hecht'sHerberger's
JCPenney
Jones Store, The
Kmart – Super K
Kohl's
La Curacao
Last Call
Lazarus-Macy's
Lord & Taylor
Macy's West
Marshall's (T.J. Max)
McRae's
Meier & Frank
Mervyn's
Neiman & Marcus
Nordstrom
Nordstrom's Rack
Parisian
Peebles
Proffitt's
Rich's-Macy's
Robinson's-May
Saks
Sears
Sears Grand
Steinmart
Super Target
Target
Target Greatland

LEASING EXHIBIT – ANCHOR TENANTS

The Great Indoors
Wal-Mart
Wal-Mart Superstore
Younkers

DOMESTIC-FABRIC-CRAFTS

Anna's Linens
A.C. Moore Arts & Crafts
Bed, Bath & Beyond
Fabric Land
Hancock Fabric
Hobby Lobby Creative Centers
Hobby Town
JoAnn Fabric
JoAnn Etc
Linen's N' Things
Michael's Arts & Crafts
Rag Shop Crafts, Fabrics & Flowers
Tall Mouse

DRUG STORES

Bartell Drug
Brooks Pharmacy
CVS
Duane Reade
Eckerd Drug
Gemmell Pharmacy
GNC
Jewel-Osco
Longs Drug Store
Osco Drug
Rite Aid
Sav-on Drug
ShopKo Express Rx
Smith's Food & Drug
Walgreen's

ELECTRONIC-APPLIANCES-COMPUTERS

ALL TEL
Al & Ed's Autosound
AT&T Wireless
Best Buy
Brookstone
Circuit City
Comp USA

Electronic Boutique of America
(EB Games)
Grupo Deco –Electronic & Furniture
Fry's Electronics
FTS Wireless
Gateway
Good Guys
Magnolia Hi-Fi
Nextel
Radio Shack
Sharper Image
Sprint PCS
T-Mobile
Verizon
Wireless Toyz

FAMILY FUN CENTERS

Acapulco Mexican Restaurant
Arby's
Atlanta Bread Company
Auntie Anne's Pretzel
Bailey's
BD's Mongolian Barbeque
Bright Child
Brunswick Bowling
Bahama Breeze
Baja Fresh Mexican Grill
Baskin Robbins
Ben & Jerry Ice Cream
Benihana's
Big Bowl
BJ's Pizza, Grill & Brewery
Blimpie Subs & Salads
Bob Evans Restaurant and General Store
Boston Market
Buca di Beppo
Bruegger's Bagels
Buffalo Wild Wings Grill & Bar
Burger King
California Pizza Kitchen
Carl's Jr
Carrow's
Champps Americana
Champagne French Café
Chevys Mexican Restaurant
Chick-fil-A
Chili's

Chipotle Mexican Grill, Inc
Church's Chicken
Claim Jumper
Cracker Barrel Old Country Store
Coco's
Coffee Bean & Tea Leaf
Cold Stone Creamery
Corner Bakery
Cozymel's
Cracker Barrel
Daily Grill
Dave & Buster's
Deidrich Coffee/ Gloria Jeans
Del Taco
Denny's
Dunkin Donuts/
El Pollo Loco
El Torito Grill
Elephant Bar
Far Wes Restaurant Group, LLC
Fatburger
Flemings Prime Steak
Fresh Choice
Fox and Hound
Fuddruckers
Garden Fresh
Granite City Foods & Brewery
Green Burrito
Godfather's Pizza, Inc
Hat Top Grill
Haagen-Dazs
Hamburger Hamlet
Hometown Buffet
House of Bread
Houston's
Hungry Pocket
Il Fornaio
In-N-Out Burger
International House of Pancakes
Islands
It's a Grind
Jack in the Box
Jamba Juice
Jillian's
Jitters
Johnny Carino's Country Italian Restaurant
Johnny Rockets

LEASING EXHIBIT – ANCHOR TENANTS

Jolibee
 Kentucky Fried Chicken
 Kings Fish House
 Koo Koo Roo Chicken
 Krispy Kreme Doughnuts
 La Salsa
 Little Ceasars
 Logan's Roadhouse
 LongHorn Steakhouse
 Louise's Trattoria
 Macaroni Grill
 Maggiano's
 Marie Callenders
 McCormick & Schmicks
 McDonald's
 Mimi's Café
 Nickel Town Pizza
 Ono Hawaiian BBQ
 O'Charley's
 Olive Garden
 On The Border
 Outback Steakhouse
 Pat and Oscar's
 Panda Express
 Panda Inn
 Panera
 Pei Wei
 P.F. Chang's China Bistro
 Pick Up Stix
 Pizza Hut
 Pollo Campero
 Popeyes Fried Chicken
 Pyramid Alehouse
 Quizno's
 Quaker Steak & Lube
 Red Lobster
 Red Robin
 Roadhouse Grill
 Round Table Pizza
 Rubio's Diner
 Schlotzsky's Deli
 Souplantation
 Starbucks Coffee Company
 Submarina
 Subway
 TGI Fridays
 Taco Bell
 Texas Roadhouse
 The Habit

The Melting Pot
 Togo's
 Tony Romas
 Wendy's
 Wolfgang Puck
 Wood Ranch BBQ & Grill
 Yard House
 Yoshinoya
 Zao Noodle Bar

FOOTWEAR

Aerosoles
 Bandolino
 Baker's
 DSW Shoe Warehouse
 Ecco Shoes
 Factory Brand Shoes
 Famous Footwear
 Hush Puppies, Hush Puppies & Family
 J. Stephens Shoes
 Journeys
 Loehman's Shoes
 MJM Designer Shoes
 Nike Town
 Off Broadway Shoes
 Payless Shoe Source
 Rack Room shoes
 Rockport Shoes
 Shiekh Shoes
 Shoe Buzz
 Shoe Carnival
 Shoe City
 Shoe Pavilion
 Steve Madden Ltd.
 Stride Rite
 Underground Station
 Wild Pair
 American Eagle Outfitters
 Bass Pro Shops Outdoor World
 Bass Pro Shops World Wide
 Big Dog Sportswear
 Cabela's
 Gander Mountain
 Red Wing Shoe
 REI
 Timberland
 Walking Company, The

FURNITURE STORES-
HOME ACCESSORIES

Abbey Carpet
 American TV Appliance & Furniture
 Anna's Linens
 Aron Brothers
 Backyard Barbecue Inc., The
 Badcock Home Furniture & More
 Banner Bedding
 Bassett Furniture Direct
 Bed Bath & Beyond
 Bombay Company
 Bombay/Bombay Kids
 Conn's Appliance
 Container Store
 Cost Plus
 Costco Home
 Crate N Barrel Homestore
 Crate N Barrel Housewares
 Design Within Reach
 Ethan Allen
 EXPO Design Centers
 Floors to Go
 Furniture Trading Company
 Furniture Row
 Hold Everything
 Home Depot Landscape Supply
 Home Goods
 Homestead House –J.H. Biggar
 IKEA
 Kirkland's
 Jennifer's Convertibles
 Lamps Plus
 Linen 'n Things
 La-Z-Boy
 Levitz
 Mattress Gallery
 Mikasa
 Organized Living
 Pier 1 Imports
 PB Teen
 Pier 1 Imports
 Pottery Barn/ Elm Street
 Pottery Barn Kids
 Restoration Hardware
 Room & Board, Inc

LEASING EXHIBIT – ANCHOR TENANTS

Sears Appliance and Hardware
 Thomasville Furniture
 USA BABY
 West Elm
 Wickes
 William Sonoma
 Z Gallerie
 Yankee Candles Co

**GASOLINE SALES-
CONVENIENCE STORE**

7 Eleven
 ARCO/ AM-PM
 Chevron/ Texaco
 Exxon
 Mobil Oil
 Shell Oil
 Texaco
 Unocal 76/Phillips 66
 USA Petroleum

GENERAL MERCHANDISE

Fred Meyer
 Pamida
 Sears Grand
 Shopko

**HEALTH CLUBS-WEIGHT
LOSS CENTERS**

24 Hours Fitness
 Bally's Total Fitness
 Bodies in Motion
 Crunch Fitness
 Curves
 Jenny Craig
 Ladies Workout Express
 L.A. Fitness
 Linda Evans Weight Loss
 Express/
 Lucille Roberts Health Spa for
 Women
 Sparetime
 Spectrum Club (24 Hour)
 Velocity Sports Performance
 Workout Express
 Weinmat
 2nd Wind Exercise Equipment
 Fitness Factory Outlet

Priority One Fitness
 Push Pedal Pull
 Castus Low Carb Superstores
 General Nutritional Centers
 (GNC)
 Low-Carb Crazy
 Pure Foods Low Carb Market
 Vitamin Shoppe, The
 Vitamin World

**HOME IMPROVEMENT-
HARDWARE**

ACE Hardware
 Armstrong Garden Centers
 Aubuchon Hardware
 Barbeques Galore
 Do It Best
 Expo Center (Home Depot)
 Home Depot
 Home & Garden Showplace
 Lowe's H.I.W., Inc.
 Orchard Supply Hardware
 Rockler Woodworking and
 Hardware
 Sherwin Williams Paint
 Sinclair Paints
 True Value Hardware
 Vista Paints
 Yarbids

INVESTMENT COMPANIES

Bank of America
 D.E. Shaw
 Hancock Park Associates

JEWELRY STORES

Bailey Banks & Biddle
 Daniel's Jewelers
 Don Roberto Jewelers
 Fine Jewelers
 Brodkey Jewelers
 Crescent Jewelers
 Diamond Center, The
 FAST-FIX Jewelry Repairs
 Friedman's Jewelers
 Gordon's Jewelers
 Helzberg Diamonds

Iridesse
 Jared The Galleria Of Jewelry
 Kay Jewelers
 Mayor's Jewelers
 Piercing Pagoda
 Zales Jewelers
 Zales Fine Jewelry Outlet

MAIL/PARCEL/PACKAGING

AuctionDrop
 Auction Mills
 Sold It
 Fed Ex Kinko's Office
 Kinko's
 NuMarkets
 Postal Annex+
 PostNet
 Postal Connections of America
 QuickDrop
 UPS Store, The

**MANUFACTURES/DISTRIB
UTORS**

Automoblox
 RC2
 Tangle Toys
 Team Edge

MATTRESS/BEDDING

Mattress Discounters
 Mattress Firm, The
 Mattress Giant
 Rockaway Bedding
 Select Comfort
 Verlo Mattress Factory Stores

MARKETS

Acme
 Albertson's
 Albertson's-Osco
 Albertson's-Save-on
 Andronico's
 Arthur's Fresh Market
 Bel-Air Market
 Big Bear Market
 Bloom, a Food Lion Market
 Bristol Farms
 Central Market
 Dominick's

LEASING EXHIBIT – ANCHOR TENANTS

Fleming Companies
 Food Source
 Food 4 Less
 Food Basics
 FoodMaxx
 Fry's Food and Drug Stores
 Gelson's Market
 Gigante Markets
 Genuardi's
 Grocery's Outlet
 Harri's Tetter
 Henry's Farmers Market
 Henry's Marketplace
 Kash n' Karry
 Krogger
 LoBill Foods
 Marsh Supermarkets
 Neighborhood Markets
 Nob Hill Foods
 Northgate Market
 Nugget Market
 Oakville Grocery & Market
 Place
 Olivers & Co.
 O'Malia Food
 Pak-N-Save
 Pavillions/ Vons /
 PriceRite
 Publix
 Randall's
 "R" Ranch Markets
 Raley's
 Ralphs-Food 4 Less
 Ray's Sentry Market
 Richland Market
 Safeway
 Save – A- Lot
 Save- Mart
 Shoperite
 Smart & Final
 Smith's Marketplace
 Smiths Food King
 Stater Brothers
 Sun Harvest
 Sunflower Market
 Super Saver
 Sweetbay Supermarket
 Tom Thumb
 Top-Valu Markets

Trader Joe's
 Village Pantry
 Vons Market (Safeway
 Wal-Mart Markets
 Weis Markets
 Whole Foods Market
 Wild Oats
 Winco

MISCELLANEOUS

1-800-FLOWER.COM
 America's Car-Mart
 American Music
 Barbeques Galore
 Beran Christian Stores
 Bosley's Hair Restoration
 Centers
 Budget Rent a Car
 CarMax
 Cash & Carry
 Conroy's Flowers
 Crystal-Pierz Marine
 CyberBrew Net Café
 Enterprise Rent-A-Car
 FASTSIGNS
 FreedomRoads
 Great Food.com
 Guitar Center
 Hair Club for Men and Women
 HearthSong
 Hertz
 Induserve Supply
 LifeWay Christian Stores
 Link Recreational
 Magic Cabin
 Mandel Christian & Educational
 Marine Max
 NuMarkets
 Olympic Boat Centers
 Omega
 Payless Car Sales
 Popcorn Factory
 Plow and Health
 Pro Foods
 Putting Edge
 Sav-on
 SIGN-A-RAMA
 Sign Biz
 Signs Now

Scrubs & Beyond
 Smart & Final
 Tractor Supply
 Travis Boating Center
 United Rentals
 West Marine
 99 CENT Only
 ALCO
 Big Lots
 Conroy's 1-800- Flowers
 Deal \$
 Dollar Discount Stores
 Dollar General
 Dollar Tree Stores
 Duckwall Stores
 Family Dollar
 Launderland
 Lucy's Laundry
 One Hour Martinizing
 PWS, Inc. (Coin Laundry)
 Tuesday Morning
 SpinCycle
 Sudz
 Vitamin World
 Widmer's Cleaners
 Zoots

NURSERY/GARDEN

Armstrong Garden Centers
 Frank's Nursery
 Home & Garden Showplace
 KaBloom

**OFFICE-STATIONERY-
PARTY SUPPLIES**

AIM Mail Center
 Caboodle Cartridge
 Cartridge World
 Card \$mart
 Farr's Stationery
 Hallmark
 Island Ink Jet Systems
 Kinkos
 Mail Boxes Etc
 Office Depot
 Office Max
 Party America
 Party City

LEASING EXHIBIT – ANCHOR TENANTS

IParty
Staples

**OPTICAL
SERVICES/PRODUCTS**

Oakley Icon
Occhiali da Sole
Sporting Eyes
Sunglass Club
Sunglass Hut
Sunglass Icon
Sunglass World
TotesIsotoner/Sunglass World

**OUTLET CENTER
TENANTS**

Factory Brand Shoes
Little Me
Dress Barn Outlet
Nordstrom Rack
PacSun Outlet
S & K Menswear Outlet
Saks Off Fifth
Tabots Outlet

PAINT STORES

Dunn-Edwards
Duron, Inc.
ICI Dulux Paint Stores
Kelly-Moore Paint Co.
PPG Industries
Sherwin-Williams

PET STORES

Pet Experience
Petland
Pet People
Pet Supermarket
Petco
Petland
PetsMart

**PHOTOGRAPHY/PORTRAIT
STUDIOS**

Flash Digital Portraits
Glamour Shots
Olan Mills
Picture People, The
Studio One to One

**RENT TO OWN/RENTAL
PURCHASE**

Aron's
Grand Rental Station
Rent-A-Center
RentWay
Taylor Rental Station

RECORDS-TAPES-VIDEO

Blockbuster Video
CD World
Coconuts Music and Movies
DVD Station
Fye
Hear Music
Hollywood Video
MovieBank
Movie Gallery
Planet Music
Sam Goody
Strawberries Music
Spec's
Wherehouse Music, Movies &
More

**SPECIALTY FOODS/BAKED
GOODS**

Krispy Kreme Doughnuts
Panera Bread Co.
St. Louis Bread Co.

SPORTING GOODS

Athlete's Foot
Bass Pro Shops
Big 5
Cap Factory
Champs Sports
Chick's
Copeland's Sports
Dick's Sporting Goods
Edwin Watts Golf Shops
Finish Line, The
Foot Locker
Galyan's
Gart
Golf Craft: 2nd Chance Golf
Golf Galaxy

Golf & Tennis Pro Shop
Golfsmith
Hat World
Hat Zone
Hibbett Sports
Kids Food Locker
Lady Foot Locker
Las Vegas Golf & Tennis
Lids
Modell's
Nevada Bob's
Nike
Oshman's
Play it Again Sports
Pro Golf Discount
R.E.I.
Roger Dunn Golf Shops
Sport Chalet
Sportmart/ Gart Sports
Sports Authority
Sportswear
Steve & Barry's University

TANNING SALONS

Hollywood Tans
Palm Beach Tan
Tan Company, The

THEATRES

AMC Theatres
Alamo Drafthouse Cinemas
Bridge, The
Century Theatres
Cinema Star Luxury Theatres
Cinemark
Cine De Lux
Culver
Danbarry Cinemas
Edwards Theatres
Great Texas Movie Co., The
Hoyts Cinemas
Krikorian Premiere Theatres
Landmark Theatres
Lowes Cineplex Entertainment
Mann Theatres
Marquee Cinemas
Multiplex Cinemas
North American Cinema, Inc
Pacific Theaters

LEASING EXHIBIT – ANCHOR TENANTS

Rave Motion Pictures
Regal Cinemas
Signature Theatres
Showcase Cinemas
Studio Movie Grill
Unite Artists

THRIFT/VARIETY STORES

Duckwall Hometown Variety
Stores

TOY/HOBBY

F.A.O. Schwartz
Hobby Town
LB Toys
LEGO Systems
Tandy Leather
Toy R US

**WHOLESALE CLUBS-
MEMBERSHIP**

BJ's Wholesale
Costco
Sam's Club
Smart Final

ATTACHMENT 9

PERFORMANCE AND COMPLETION GUARANTY

Project Commonly Known as
"La Alameda"

THIS PERFORMANCE AND COMPLETION GUARANTY (this "Guaranty") is made as of _____, 2005, by ARTURO SNEIDER, a married man, BARBARA SNEIDER, a married woman, JOHN SELBY, a married man, BARBARA SELBY, a married woman, LEANDRO TYBERG, a married man, LORI TYBERG, a married woman, RICHARD FLORES, an unmarried man/a married man as his sole and separate property (strike inapplicable status), ARTHUR FLORES, an unmarried man/a married man as his sole and separate property (strike inapplicable status), LARRY FLORES, a married man, HELEN FLORES, a married woman, DAVID FLORES, a married man, and MARIANELLA FLORES, a married woman (individually and collectively referred to as "Guarantors"), to and for the benefit of the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic ("Lender").

RECITALS

A. On or about the date hereof, LA ALAMEDA, LLC, a California limited liability company ("Borrower") and Lender entered into that certain Development Agreement ("Development Agreement") whereby Lender will provide funds (the "Funds") to finance the development and construction of an approximately two hundred twenty thousand (220,000) square foot retail shopping center (the "Project"). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Development Agreement.

B. Guarantors will derive material financial benefit from the Funds provided to Borrower as described in the Development Agreement.

C. Lender has relied on the statements and agreements contained herein in agreeing to provide the Funds described in the Development Agreement.

AGREEMENT

NOW, THEREFORE, intending to be legally bound, Guarantors, in consideration of the matters described in the foregoing Recitals, which Recitals are incorporated herein by this reference and made a part hereof, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby covenant and agree for the benefit of Lender and its successors, endorsees, transferees, participants and assigns as follows:

1. Guarantors, absolutely, unconditionally, and irrevocably guarantee the full, complete and punctual observance, performance and satisfaction of all of the obligations, duties, covenants and agreements of Borrower under the Development Agreement with respect to the

construction and completion of the Project free of any claim for mechanics', materialmen's or any other liens, and in accordance with (1) all laws, (2) the plans and specifications, and (3) the time periods and other requirements set forth in the Development Agreement, including, without limitation, the following:

(i) To perform, complete and pay for (or cause to be performed, completed and paid for) the construction and to pay all costs of said construction (including, without limitation, any and all cost overruns) and all other costs associated with the Project (including, without limitation, the costs of any architects' and engineers' fees, and each of the Shortfall Payments, if any), if Borrower shall fail to perform, complete or pay for such work or pay such costs, including any sums expended in excess of the amount of indebtedness incurred by Borrower under the Development Agreement, whether or not the construction is actually completed;

(ii) If any mechanics' or materialmen's liens should be filed, or should attach, with respect to the Project by reason of the construction, to immediately cause the removal of such liens, or post security against the consequences of their possible foreclosure and procure an endorsement(s) to the title policy insuring Lender against the consequences of the foreclosure or enforcement of such lien(s); and

(iii) If any chattel mortgages, conditional vendor's liens or any liens, encumbrances or security interests whatsoever should be filed, or should attach, with respect to the personal property, fixtures, attachments and equipment delivered upon the Project and owned by Borrower, attached to the Project or used in connection with the construction of the Improvements, to immediately cause the removal of such lien(s) or post security against the consequences of their possible foreclosure and procure an endorsement(s) to the title policy insuring Lender against the consequences of the foreclosure or enforcement of such lien(s).

All obligations described in this Section 1 are referred to herein as the "Obligations".

2. In the event of any default by Borrower in performance of the Obligations and the expiration of any applicable cure or grace period, Guarantors agree, on demand by Lender (which demand may be made concurrently with notice to Borrower that Borrower is in default of its obligations), to perform all of the Obligations. Lender shall have the right, at its option, either before, during or after commencing foreclosure or sale proceedings, as the case may be, and before, during or after pursuing any other right or remedy against Borrower or Guarantors, to perform any and all of the Obligations by or through any agent, contractor or subcontractor of its selection, all as Lender in its sole discretion deems proper, and Guarantors shall indemnify and hold Lender free and harmless from and against any and all loss, damage, cost, expense, injury, or liability Lender may suffer or incur in connection with the exercise of its rights under this Guaranty or the performance of the Obligations.

ATTACHMENT 9

During the course of any construction undertaken by Lender or any other party on behalf of Lender in accordance with the terms of this Guaranty, Guarantors shall pay on demand any amounts due to contractors, subcontractors, and material suppliers and for permits and licenses necessary or desirable in connection therewith. Guarantors' obligations in connection with such work shall not be affected by any errors or omissions of the general contractor, architect, lender's consultant or any subcontractor or agent or employee of any of the foregoing in the design, supervision, and performance of the work; it being understood that such risk is assumed by Guarantors. Neither the completion of the construction nor failure of said party to complete the construction shall relieve Guarantors of any liabilities hereunder; rather, such liability shall be continuing and may be enforced by Lender to the end that the construction shall be timely completed, lien-free, without loss, cost, expense, injury or liability of any kind to Lender.

All of the remedies set forth herein and/or provided for in the Development Agreement or at law or equity shall be available to Lender, and the choice by Lender of one such alternative over another shall not be subject to question or challenge by Guarantors or any other person, nor shall any such choice be asserted as a defense, setoff, or failure to mitigate damages in any action, proceeding, or counteraction by Lender to recover or seeking any other remedy under this Guaranty, nor shall such choice preclude Lender from subsequently electing to exercise a different remedy. Guarantors have agreed to the alternative remedies hereinabove specified in part because they recognize that the choice of remedies in the event of a failure hereunder will necessarily be and should properly be a matter of good faith business judgment, which the passage of time and events may or may not prove to have been the best choice to maximize recovery by Lender at the lowest cost to Borrower and/or Guarantors. It is the intention of Guarantors that such good faith choice by Lender be given conclusive effect regardless of such subsequent developments.

3. Guarantors do hereby (a) waive notice of acceptance of this Guaranty by Lender and any and all notices and demands of every kind which may be required to be given by any statute, rule or law, (b) agree to refrain from asserting, until the Covenant Release Date, any defense, right of set-off or other claim which Guarantors may have against Borrower, (c) waive any defense, right of set-off or other claim which Guarantors or Borrower may have against Lender, (d) waive any and all rights Guarantors may have under any anti-deficiency statute or other similar protections, (e) waive presentment for payment, demand for payment, notice of nonpayment or dishonor, protest and notice of protest, diligence in collection and any and all formalities which otherwise might be legally required to charge Guarantors with liability, and (f) waive any failure by Lender to inform Guarantors of any facts Lender may now or hereafter know about Borrower, the Project or the transactions contemplated by the Development Agreement, it being understood and agreed that Lender has no duty so to inform and that Guarantors are fully responsible for being and remaining, and has established adequate means of keeping and remaining, informed by Borrower of all circumstances bearing on the risk of nonperformance of the obligations. Credit may be granted or continued from time to time by Lender to Borrower without notice to or authorization from Guarantors, regardless of the

financial or other condition of Borrower at the time of any such grant or continuation. Lender shall not have any obligation to disclose or discuss with Guarantors its assessment of the financial condition of Borrower. Guarantors acknowledge that no representations of any kind whatsoever have been made by Lender. No modification or waiver of any of the provisions of this Guaranty shall be binding upon Lender except as expressly set forth in a writing duly signed and delivered by Lender.

4. Guarantors further agree that Guarantors' liability as guarantors shall not be impaired or affected by any renewals or extensions which may be made from time to time, with or without the knowledge or consent of Guarantors of the time for payment of interest or principal under the Development Agreement or by any forbearance or delay in collecting interest or principal under the Development Agreement, or by any waiver by Lender under the Development Agreement or Deed of Trust executed by Borrower in favor of Lender ("Deed of Trust"), or by Lender's failure or election not to pursue any other remedies it may have against Borrower or Guarantors, or by any change or modification in the Development Agreement or the Deed of Trust, or by the acceptance by Lender of any additional security or any increase, substitution or change therein, or by the release by Lender of any security or any withdrawal thereof or decrease therein, or by the application of payments received from any source to the payment of any obligation other than the indebtedness due under the Development Agreement ("Indebtedness"), even though Lender might lawfully have elected to apply such payments to any part or all of the Indebtedness, or by the failure or invalidity of, or any defect in, the Development Agreement, or by any legal disability or other defense of Borrower, any other guarantor or any other person, or by the cessation, limitation or termination from any cause whatsoever of any of the obligations under the Development Agreement, except upon payment in full of the Indebtedness, or by the application by Borrower of the proceeds of the Secured Obligations (as that term is defined in the Deed of Trust) for purposes other than the purposes represented by Borrower to Lender or intended or understood by Lender or Guarantors, it being the intent hereof that, subject to Lender's compliance with the terms of this Guaranty, Guarantors shall remain liable for the performance of the Obligations, notwithstanding any act or thing which might otherwise operate as a legal or equitable discharge of a surety. Guarantors hereby waive any and all rights or defenses based on, and understand and agree that Guarantors' liability as guarantors shall not be impaired or affected by, an election of remedies by Lender, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against the principal by the operation of Section 580d of the California Code of Civil Procedure or otherwise, or the foreclosure of any of the security for the Secured Obligations, including without limitation the security described in the Deed of Trust, or Guarantors' right to a fair value hearing under Section 580a of the California Code of Civil Procedure following the nonjudicial foreclosure of the Deed of Trust or any other deed of trust on the Property held by Lender, it being intended that this Guaranty shall survive the realization upon any of the security for the Secured Obligations, including without limitation the security described in the Deed of Trust, including without limitation nonjudicial foreclosure notwithstanding any defense, right, or claim that any such foreclosure satisfied the obligations secured thereby. Guarantors agree that the payment of all sums payable under the Development Agreement or other act which tolls any

ATTACHMENT 9

statute of limitations applicable to the Development Agreement shall similarly operate to toll the statute of limitations applicable to Guarantors' liability hereunder. Without limiting the generality of the foregoing or any other provision hereof, Guarantors expressly waive to the extent permitted by law any and all rights and defenses that Guarantors may have because Borrower's debt is secured by real property. This means, among other things, that: (1) Lender may collect from Guarantors without first foreclosing on any security for the Secured Obligations (whether such security is real or personal property) pledged by Borrower; and (2) if Lender forecloses on any real property security pledged by Borrower (including without limitation the real property described in the Deed of Trust), (A) the amount of the Indebtedness may be reduced only by the price for which that security is sold at the foreclosure sale, even if the security is worth more than the sale price, and (B) Lender may collect from Guarantors even if Lender, by foreclosing on the real property security, has destroyed any right Guarantors may have to collect from Borrower. This is an unconditional and irrevocable waiver of any rights and defenses Guarantors may have because Borrower's debt is secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon Section 580a, 580b, 580d, or 726 of the California Code of Civil Procedure, and/or Sections 2787 to 2855, inclusive, 2899 and 3433 of the California Civil Code, or any of such sections. Guarantors further understand and agree that Lender may at any time enter into agreements with Borrower to amend and modify the Development Agreement or the Deed of Trust, and may waive or release any provision or provisions of the Development Agreement or the Deed of Trust, and, with reference to such instruments, may make and enter into any such agreement or agreements as Lender and Borrower may deem proper and desirable, without in any manner impairing or affecting this Guaranty or any of Lender's rights hereunder or Guarantors' obligations hereunder.

5. Unless and until all Indebtedness is paid in full, Guarantors hereby waive any right of subrogation, any right to enforce any remedy any lender may have against Borrower, any other Guarantors or any other person, and any benefit of, and the right to participate in, any of the security for the Secured Obligations held by Lender.

6. This is an absolute, present and continuing guaranty of performance and completion and not of collection. Guarantors agree that this Guaranty may be enforced by Lender without the necessity at any time of resorting to or exhausting any other security or collateral given in connection herewith, the Development Agreement or the Deed of Trust through foreclosure or sale proceedings, as the case may be, under the Deed of Trust or otherwise, or resorting to any other guaranties, and Guarantors hereby waive any right to require Lender to join Borrower in any action brought hereunder or to commence any action against or obtain any judgment against Borrower or to pursue any other remedy or enforce any other right. Guarantors further agree that nothing contained herein or otherwise shall prevent Lender from pursuing concurrently or successively all rights and remedies available to it at law and/or in equity or under the Development Agreement or the Deed of Trust, and the exercise of any of its rights or the completion of any of its remedies shall not constitute a discharge of Guarantors' obligations hereunder, it being the purpose and intent of Guarantors that the obligations of Guarantors hereunder shall be absolute, independent and unconditional under any and all

circumstances whatsoever. None of Guarantors' obligations under this Guaranty or any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Borrower under the Development Agreement or the Deed of Trust or by reason of the bankruptcy of Borrower or by reason of any creditor or bankruptcy proceeding instituted by or against Borrower. This Guaranty shall continue to be effective or be reinstated (as the case may be) if at any time payment of all or any part of any sum payable pursuant to the Development Agreement or the Deed of Trust is rescinded or otherwise required to be returned by Lender upon the insolvency, bankruptcy, dissolution, liquidation, or reorganization of Borrower, or upon or as a result of the appointment of a receiver, intervenor, custodian or conservator of or trustee or similar officer for, Borrower or any substantial part of its property, or otherwise, all as though such payment to Lender had not been made, regardless of whether Lender contested the order requiring the return of such payment.

7. If: (a) this Guaranty is placed in the hands of an attorney for collection or is collected through any legal proceeding; (b) an attorney is retained to represent Lender in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving a claim under this Guaranty; (c) an attorney is retained to provide advice or other representation with respect to this Guaranty; or (d) an attorney is retained to represent Lender in any proceedings whatsoever in connection with this Guaranty and Lender prevails in any such proceedings, then Guarantors shall pay to Lender upon demand all attorney's fees, costs and expenses incurred in connection therewith (all of which are referred to herein as "Enforcement Costs"), in addition to all other amounts due hereunder, regardless of whether all or a portion of such Enforcement Costs are incurred in a single proceeding brought to enforce this Guaranty as well as the Development Agreement.

8. Guarantors intend and believe that each provision in this Guaranty comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Guaranty is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Guaranty to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent of Guarantors that such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this Guaranty shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Lender or the holder of the Development Agreement under the remainder of this Guaranty shall continue in full force and effect.

9. **TO THE GREATEST EXTENT PERMITTED BY LAW, GUARANTORS HEREBY WAIVE ANY AND ALL RIGHTS TO REQUIRE MARSHALLING OF ASSETS BY LENDER. WITH RESPECT TO ANY SUIT, ACTION OR PROCEEDINGS RELATING TO THIS GUARANTY (EACH, A "PROCEEDING"), LENDER (BY ITS ACCEPTANCE HEREOF) AND GUARANTORS IRREVOCABLY (A) SUBMIT TO**

ATTACHMENT 9

THE NON-EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS HAVING JURISDICTION IN THE CITY OF LOS ANGELES AND STATE OF CALIFORNIA AND (B) WAIVE ANY OBJECTION WHICH THEY MAY HAVE AT ANY TIME TO THE LAYING OF VENUE OF ANY PROCEEDING BROUGHT IN ANY SUCH COURT, WAIVE ANY CLAIM THAT ANY PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM AND FURTHER WAIVE THE RIGHT TO OBJECT, WITH RESPECT TO SUCH PROCEEDING, THAT SUCH COURT DOES NOT HAVE JURISDICTION OVER SUCH PARTY. NOTHING IN THIS GUARANTY SHALL PRECLUDE LENDER FROM BRINGING A PROCEEDING IN ANY OTHER JURISDICTION NOR WILL THE BRINGING OF A PROCEEDING IN ANY ONE OR MORE JURISDICTIONS PRECLUDE THE BRINGING OF A PROCEEDING IN ANY OTHER JURISDICTION. LENDER (BY ITS ACCEPTANCE HEREOF) AND GUARANTORS FURTHER AGREE AND CONSENT THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY PROCEEDING IN ANY CALIFORNIA STATE OR UNITED STATES COURT SITTING IN THE CITY OF LOS ANGELES MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO THE APPLICABLE PARTY AT THE ADDRESS INDICATED BELOW, AND SERVICE SO MADE SHALL BE COMPLETE UPON RECEIPT; EXCEPT THAT IF SUCH PARTY SHALL REFUSE TO ACCEPT DELIVERY, SERVICE SHALL BE DEEMED COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED.

10. Any indebtedness of Borrower to Guarantors now or hereafter existing is hereby subordinated to the performance of the Obligations. Guarantors agree that, until the entire Indebtedness has been paid in full, Guarantors will not seek, accept, or retain for its own account, any payment from Borrower on account of such subordinated debt. Any payments to Guarantors on account of such subordinated debt shall be collected and received by Guarantors in trust for Lender and shall be paid over to Lender on account of the Indebtedness without impairing or releasing the obligations of Guarantors hereunder.

11. Any amounts received by Lender from any source on account of the Secured Obligations may be utilized by Lender for the performance of the Obligations and in such order as Lender may from time to time elect.

12. **GUARANTORS AND LENDER (BY ITS ACCEPTANCE HEREOF), TO THE FULLEST EXTENT THAT THEY MAY LAWFULLY DO SO, HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHT UNDER THIS GUARANTY OR ANY OTHER DOCUMENT OR RELATING THERETO OR ARISING FROM THE LENDING RELATIONSHIP WHICH IS THE SUBJECT OF THIS GUARANTY, INCLUDING, WITHOUT LIMITATION, ANY TORT ACTION, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT**

BEFORE A JURY. GUARANTORS FURTHER ACKNOWLEDGE THAT (I) THEY HAVE READ AND UNDERSTAND THE MEANING AND RAMIFICATIONS OF THIS WAIVER, AND (II) THIS WAIVER IS A MATERIAL INDUCEMENT FOR LENDER TO ENTER INTO THE DEVELOPMENT AGREEMENT. GUARANTORS HEREBY AGREE THAT THIS AGREEMENT CONSTITUTES A WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY PURSUANT TO THE PROVISIONS OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 631. GUARANTORS DO HEREBY CONSTITUTE AND APPOINT LENDER ITS TRUE AND LAWFUL ATTORNEY-IN-FACT, WHICH APPOINTMENT IS COUPLED WITH AN INTEREST, AND GUARANTORS DO HEREBY AUTHORIZE AND EMPOWER LENDER, IN THE NAME, PLACE AND STEAD OF GUARANTORS, TO FILE THIS AGREEMENT WITH THE CLERK OR JUDGE OF ANY COURT OF COMPETENT JURISDICTION AS A STATUTORY WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY.

GUARANTORS' INITIALS: _____

13. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered, (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three (3) business days after mailing, (c) if by Federal Express or other reliable overnight courier service, on the next business day after delivered to such courier service, or (d) if by telecopier, on the day of transmission so long as copy is also sent on the same day by overnight courier, to:

Guarantors: Mr. Arturo & Mrs. Barbara Sneider
228 South Beverly Drive, 2nd Floor
Beverly Hills, California 90211
Telephone: (310) 652-1177
Facsimile: (310) 652-3165

Mr. John & Mrs. Barbara Selby

Telephone: _____
Facsimile: _____

Mr. Leandro & Mrs. Lori Tyberg
228 South Beverly Drive, 2nd Floor
Beverly Hills, California 90211
Telephone: (310) 652-1177
Facsimile: (310) 652-3165

Mr. Richard Flores

Telephone: _____

Facsimile: _____

Mr. Arthur Flores

Telephone: _____

Facsimile: _____

Mr. Larry & Mrs. Helen Flores

310 East Florence Avenue

Los Angeles, California 90003

Telephone: (323) 789-4500

Facsimile: (323) 588-8198

Mr. David & Mrs. Marianella Flores

Telephone: _____

Facsimile: _____

With a copy to:

Law Offices of Robert P. Friedman, Esq.

827 Moraga Drive

Bel Air, California 90049

Attention: Robert P. Friedman, Esq.

Telephone: (310) 471-3413

Facsimile: (310) 471-8613

Lender:

The Community Development Commission

of the County of Los Angeles

2 Coral Circle

Monterey Park, California 91755

Attention: _____

Telephone: _____

Facsimile: _____

With a copy to:

Brown, Winfield & Canzoneri, Inc.

300 South Grand Avenue, Suite 1500
Los Angeles, California 90071
Attention: Mark W. Steres, Esq.
Telephone: (213) 687-2100
Facsimile: (213) 687-2149

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

14. In order to induce Lender to enter into the Development Agreement, Guarantors make the following representations and warranties to Lender set forth in this Section 14. Guarantors acknowledge that but for the truth and accuracy of the matters covered by the following representations and warranties, Lender would not have agreed to enter into the Development Agreement.

(i) Each Guarantor maintains an office at the address set forth for such party in Section 13.

(ii) Any and all balance sheets, net worth statements, and other financial data with respect to the Guarantors which have heretofore been given to Lender by or on behalf of Guarantors fairly and accurately present the financial condition of Guarantors as of the respective dates thereof.

(iii) The execution, delivery, and performance by Guarantors of this Guaranty does not and will not contravene or conflict with (i) any laws, order, rule, regulation, writ, injunction or decree now in effect of any government authority, or court having jurisdiction over Guarantors, (ii) any contractual restriction binding on or affecting Guarantors or Guarantors' property or assets which may adversely affect Guarantors' ability to fulfill Guarantors' obligations under this Guaranty, (iii) the instruments creating any trust holding title to any assets included in Guarantors' financial statements, or (iv) the organizational or other documents of Guarantors.

(iv) This Guaranty creates legal, valid, and binding obligations of Guarantors enforceable in accordance with its terms.

(v) Except as disclosed in writing to Lender, there is no action, proceeding, or investigation pending or, to the knowledge of Guarantors, threatened or affecting Guarantors, which may adversely affect Guarantors' ability to fulfill their obligations under this Guaranty. There are no judgments or orders for the payment of money rendered against Guarantors which have been undischarged for a period of ten (10) or more consecutive days and the enforcement of which is not stayed by reason of a pending appeal or otherwise. Guarantors are not in default under any agreements which may adversely affect Guarantors' ability to fulfill their obligations under this Guaranty.

(vi) All statements set forth in the Recitals are true and correct.

Guarantors hereby agree to indemnify and hold Lender free and harmless from and against all loss, cost, liability, damage, and expense, including attorneys' fees and costs, which Lender may sustain by reason of the inaccuracy or breach of any of the foregoing representations and warranties as of the date the foregoing representations and warranties are made and are remade.

15. The obligations of each of the Guarantors under this Guaranty are joint and several with, and separate, independent and distinct from, the obligations of Borrower, any other guarantors or any other person. This Guaranty may be enforced against any Guarantors without attempting to collect from Borrower, any other guarantor or any other person, and without attempting to enforce the rights of Lender in any of the security for the Secured Obligations. Lender may join Guarantors in any suit in connection with the Development Agreement or proceed against Guarantors in a separate action. Lender shall have the right to exercise its remedies in such order as it determines in its sole discretion.

16. Guarantors promptly shall deliver or cause to be delivered to Lender all of the Guarantors' financial statements requested by Lender.

17. This Guaranty shall be binding upon the heirs, executors, legal and personal representatives, successors and assigns of Guarantors and shall not be discharged in whole or in part by the death or the dissolution of any principal in Guarantors. If more than one party executes this Guaranty, the liability of all such parties shall be joint and several.

18. **THIS GUARANTY, THE DEVELOPMENT AGREEMENT, AND ALL OTHER INSTRUMENTS EVIDENCING AND SECURING THE OBLIGATIONS SECURED HEREBY WERE NEGOTIATED IN THE STATE OF CALIFORNIA AND DELIVERED BY GUARANTORS OR BORROWER, AS APPLICABLE, AND ACCEPTED BY LENDER IN THE STATE OF CALIFORNIA, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND THE UNDERLYING TRANSACTIONS EMBODIED HEREBY. IN ALL RESPECTS, INCLUDING, WITHOUT LIMITATION, MATTERS OF CONSTRUCTION OF THE IMPROVEMENTS AND PERFORMANCE OF THIS GUARANTY AND THE OBLIGATIONS ARISING HEREUNDER, THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.**

19. This Guaranty may be executed in any number of counterparts and by different signatories hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, for

the same effect as if all signatories hereto had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages.

IN WITNESS WHEREOF, Guarantors have executed and delivered this Guaranty in the State of California as of the date first written above.

"GUARANTORS":

ARTURO SNEIDER, a married man

BARBARA SNEIDER, a married woman

JOHN SELBY, a married man

BARBARA SELBY, a married woman

LEANDRO TYBERG, a married man

LORI TYBERG, a married woman

RICHARD FLORES, an unmarried man/a married
man as his sole and separate property (strike
inapplicable status)

ARTHUR FLORES, an unmarried man/a married
man as his sole and separate property (strike
inapplicable status)

LARRY FLORES, a married man

ATTACHMENT 9

HELEN FLORES, a married woman

DAVID FLORES, a married man

MARIANELLA FLORES, a married woman

LEASING EXHIBIT – ANCHOR TENANTS

AMUSEMENT/ENTERTAINMENT CENTERS

Chuck E. Cheese Restaurant
 CyberZone PC
 Gaming Centers
 Funny Bones Comedy Club
 & Restaurant
 Improv, The
 Island Carousel
 Jeepers!
 Laser Quest
 Pump It Up

APPAREL

A.J. Wright
 Anchor Blue
 Bealls
 Club Monaco
 Concept 4
 d.e.m.o.
 dd's Discounts
 EbLens Clothing & Footwear
 ESPIRIT
 Fallas Paredes
 Fossil
 Fossil Authentic Brand Jeans
 Gordman's
 H & M
 Hollister
 Hot Topic
 PacSun
 Palais Royal
 Ross Dress for Less
 RUEHL

Stage
 Stein Mart
 T.J. Maxx
 Urban Outfitters

Wilson's Leather
 Brooks Brothers

Casual Male Big & Tall
 Casual Male Big & Tall Outlet
 Energie
 Jimmy Au's For Men 5-8 and
 Under
 Jos. A. Bank

Justice – Clothing Store
 Rochester Big & Tall
 S & K Menswear
 Talbots Mens
 5-7-9 & Beyond

Acorn
 Aeropostale
 Anthropologie
 BEBE
 BEBE SPORT
 Cache
 Cato
 Charlotte Russe
 Christopher & Banks
 Coach
 Coldwater Creek
 DEB
 DEB Plus
 Dress Barn
 Dress Barn Women
 Everything But Water
 Fredericks's of Hollywood
 Guess
 Guess Accessories
 Guess by Marciano
 Gen X Clothing
 Holliday's Fashions
 Icing by Claire's

It's Fashion
 Janeville
 Juicy
 Lane Bryant
 Lillie Rubin
 Lucky Brand Dungarees
 Lucy Activewear
 Marshalls
 Motherhood Maternity
 Maternity Mall Superstore
 Mexx
 Mimi Maternity
 Miss Sixty
 Old Navy
 Rainbow
 Rainbow Plus
 Rampage
 Rave
 Rave Girl

Ross Store
 Sigrid Olsen
 Simply Fashion

 Soma by Chico's
 Susie's Deals
 Victoria's Secret
 Talbots Accessories & Shoes
 Talbots Misses
 Talbots Petites
 Torrid
 Victoria's Secret
 Abercrombie Kids
 Baby Gap
 Btween \$1and Five
 Children's Orchard
 Children's Place, The
 Dragonflyclothing
 Ethan Allen Kids
 Gymboree
 Janie and Jack
 Little Me
 OshKosh B' Gosh
 Rainbow Kids
 Talbots Kids
 Urban X Clothing Store

**AUTO SUPPLIES-
ACCESSORIES**

AAMCO Transmissions
 Action Automotive
 America's Tire Co.
 Auto Zone Batteries Plus
 Big O Tires
 Bridgestone/Firestone
 Checker/Schucks/Kragen
 Discount Tire
 EZ Lube
 Grease Monkey
 InternationalGoodyear
 Les Schwab Tire Co.
 Meineke Car Care Center
 Midas Muffler & Brake Shop
 Millex Tune-Up and Brake
 Monro Muffler/Brake & Service
 Mr. Transmission
 Napa Auto Parts
 Pep Boys

RECORDING REQUESTED BY, AND
WHEN RECORDED MAIL TO:

The Community Development Commission
of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755
Attn:

(Space Above this Line for Recorder's Use)

This document is exempt from the payment of a recording fee pursuant to California
Government Code Section 27383

**SECOND DEED OF TRUST
WITH ABSOLUTE ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

THIS SECOND DEED OF TRUST WITH ABSOLUTE ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "**Deed of Trust**"), made as of _____, 2005, is entered into by and among LA ALAMEDA, LLC, a California limited liability company ("**Trustor**"), STEWART TITLE COMPANY ("**Trustee**"), and the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic ("**Beneficiary**").

ARTICLE 1. GRANT IN TRUST

1.1 GRANT. For the purposes of and upon the terms and conditions in this Deed of Trust, Trustor irrevocably grants, conveys and assigns to Trustee, IN TRUST FOR THE BENEFIT OF BENEFICIARY, WITH POWER OF SALE AND RIGHT OF ENTRY AND POSSESSION, all of Trustor's right, title and interest, whether now owned or hereafter acquired, in and to that certain real property located in the County of Los Angeles, State of California, described on Exhibit 1 attached hereto and incorporated herein by this reference (the "**Real Property**"), including, without limitation, (i) all buildings and other improvements and fixtures now or hereafter located on the Real Property, including, without limitation, all apparatus, equipment, and appliances used in the operation or occupancy of the Real Property, it being intended by the parties hereto that all such items shall be conclusively considered to be a part of the Real Property, whether or not attached or affixed to the Real Property (collectively, the "**Improvements**"); (ii) all development rights or credits, air rights, water, water rights and water stock related to the Real Property and/or the Improvements (the Real Property and the Improvements are collectively referred to herein as the "**Property**"); (iii) all minerals, oil, gas, and other hydrocarbon substances in, on or under the Property; (iv) all appurtenances, easements, rights and rights of way appurtenant or related to the Property; (v) all interest or estate which Trustor may hereafter acquire in any of the property described above; and (vi) all additions and accretions to, and the proceeds of, any of the foregoing (all of the foregoing being collectively

referred to as the "Subject Property"). The listing of specific rights or property shall not be interpreted as a limit of general terms. This Deed of Trust shall be junior and subordinate to a First Deed of Trust (the "Senior Lien") in favor of _____ (the "Senior Lender") in the sum of _____ Dollars (\$_____).

ARTICLE 2. OBLIGATIONS SECURED

2.1 OBLIGATIONS SECURED. Trustor makes this grant and assignment (this "Assignment") for the purpose of securing the following obligations (the "Secured Obligations"):

a. Payment by Trustor of each of the Profit Participation Payments under and as defined in that certain Development Agreement by and between Trustor and Beneficiary, dated as of the _____ day of _____, 2005 (the "Development Agreement"); and

b. Payment by Trustor of each of the Shortfall Payments under and as defined in the Development Agreement;

c. Payment and performance of all covenants and obligations of Trustor under this Deed of Trust; and

d. Payment and performance of all future advances and other obligations that the then owner of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when such future advance or obligation is evidenced by a writing which recites that it is secured by this Deed of Trust; and

e. All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced, including, without limitation: (i) modifications of the required principal payment dates, interest payment dates, or both, as the case may be, deferring or accelerating payment dates wholly or partly; or (ii) modifications, extensions or renewals at a different rate of interest whether or not in the case of a note, the modification, extension or renewal is evidenced by a new or additional promissory note or notes.

2.2 OBLIGATIONS. The term "obligations" is used herein in its broadest and most comprehensive sense and shall be deemed to include, without limitation, all principal, interest, prepayment charges (if any), late charges, other charges, payments, and loan fees at any time accruing or assessed on any of the Secured Obligations.

2.3 INCORPORATION. All terms of the Secured Obligations and the documents evidencing such obligations are incorporated herein by this reference. Any and all persons or entities who may have or acquire an interest in all or any part of the Subject Property shall be deemed to have notice of the terms of the Secured Obligations and to have notice, if provided therein, that: (a) the Development Agreement may permit borrowing, repayment and re-

borrowing so that repayments shall not reduce the amounts of the Secured Obligations; and (b) the rate of interest on one or more Secured Obligations may vary from time to time.

ARTICLE 3. ASSIGNMENT OF LEASES AND RENTS

3.1 ASSIGNMENT. Trustor hereby irrevocably assigns to Beneficiary, subject to any prior assignment to Trustor's existing lenders, all of Trustor's right, title and interest in, to and under: (a) all leases of the Subject Property or any portion thereof, all licenses and agreements relating to the management, subleasing or operation of the Subject Property or any portion thereof, and all other agreements of any kind relating to the use or occupancy of the Subject Property or any portion thereof, whether now existing or entered into after the date hereof (the "Leases"); and (b) the rents, issues, deposits and profits of the Subject Property, including, without limitation, all amounts payable and all rights and benefits accruing to Trustor under the Leases (the "Payments"). The term "Leases" shall also include all guarantees of and security for the sublessees' performance thereunder, and all amendments, extensions, renewals or modifications thereto which are permitted hereunder. This is a present and absolute assignment, not an assignment for security purposes only, and Beneficiary's right to the Leases and the Payments is not contingent upon, and may be exercised without possession of, the Subject Property.

3.2 GRANT OF LICENSE. Beneficiary confers upon Trustor a license (the "License"), subject to any prior license conferred upon Trustor's existing lenders, to collect and retain the Payments as they become due and payable, upon the occurrence of a Default (as hereinafter defined). Upon a Default, the License shall be automatically revoked and Beneficiary may collect and apply the Payments pursuant to Section 6.4 without notice and without taking possession of the Subject Property. Trustor hereby irrevocably authorizes and directs the lessees under the Leases to rely upon and comply with any notice or demand by Beneficiary for the payment to Beneficiary of any rental or other sums which may at any time become due under the Leases, or for the performance of any of the lessees' undertakings under the Leases, and the lessees shall have no right or duty to inquire as to whether any Default has actually occurred or is then existing hereunder. Trustor hereby relieves the lessees from any liability to Trustor by reason of relying upon and complying with any such notice or demand by Beneficiary.

3.3 EFFECT OF ASSIGNMENT. The foregoing irrevocable Assignment shall not cause Beneficiary to be: (a) a mortgagee in possession; (b) responsible or liable for the control, care, management or repair of the Subject Property (or any portion thereof) or for performing any of the terms, agreements, undertakings, obligations, representations, warranties, covenants and conditions of the Leases; or (c) responsible or liable for any waste committed on the Subject Property (or any portion thereof) by the lessees under any of the Leases or any other parties; for any dangerous or defective condition of the Subject Property (or any portion thereof); or for any negligence in the management, upkeep, repair or control of the Subject Property (or any portion thereof) resulting in loss or injury or death to any lessee, licensee, employee, invitee or other

person or entity. Beneficiary shall not directly or indirectly be liable to Trustor or any other person or entity as a consequence of: (i) the exercise or failure to exercise any of the rights, remedies or powers granted to Beneficiary hereunder; or (ii) the failure or refusal of Beneficiary to perform or discharge any obligation, duty or liability of Trustor arising under the Leases.

3.4 REPRESENTATIONS AND WARRANTIES. Trustor represents and warrants that as of the date of this Deed of Trust there are no existing Leases. Trustor represents and warrants that: (a) Trustor has, or will have, good title to the Collateral; and (b) Trustor's principal place of business is located at the address shown in Section 7.6.

3.5 COVENANTS. Trustor covenants and agrees at Trustor's sole cost and expense to: (a) perform the obligations of lessor contained in the Leases and enforce by all available remedies performance by the lessees of the obligations of the lessees contained in the Leases; (b) exercise Trustor's reasonable efforts to sublease the Improvements at all times upon the completion of construction; (c) deliver to Beneficiary fully executed, counterpart original(s) of each and every Lease; and (d) execute and record such additional assignments of any Lease or specific subordinations of any Lease to this Deed of Trust, in form and substance acceptable to Beneficiary, as Beneficiary may request. Trustor shall not without Beneficiary's prior written consent: (i) enter into any Leases after the date of this Assignment; (ii) execute any other assignment relating to any of the Leases; (iii) discount any rent or other sums due under the Leases or collect the same in advance, other than to collect rent one (1) month in advance of the time when it becomes due; (iv) terminate, modify or amend any of the terms of the Leases or in any manner release or discharge the lessees from any obligations of Trustor's business; (v) consent to any assignment or subletting by any lessee; or (vi) subordinate or agree to subordinate any of the Leases to any other deed of trust or encumbrance. Any such attempted action in violation of the provisions of this Section 3.5 shall be null and void. Without in any way limiting the requirement of Beneficiary's consent hereunder, any sums received by Trustor in consideration of any termination (or the release or discharge of any lessee), modification or amendment of any Lease shall be applied to reduce the outstanding Secured Obligations and any such sums received by Trustor shall be held in trust by Trustor for such purpose.

ARTICLE 4. SECURITY AGREEMENT AND FIXTURE FILING

4.1 SECURITY INTEREST. Trustor hereby grants and assigns to Beneficiary, as of the effective date of the Development Agreement, a security interest, to secure payment and performance of all of the Secured Obligations, in all of the following described personal property in which Trustor now or at any time hereafter has any interest (collectively, the "Collateral"):

All goods, building and other materials, supplies, work in process, equipment, machinery, fixtures, furniture, furnishings, signs and other personal property, wherever situated, which are or are to be incorporated into, used in connection with, or appropriated for use thereon, (i) the Real Property described on Exhibit 1 attached hereto and incorporated by reference herein (to the extent the same are not effectively made a part of the Real Property pursuant to Section 1.1) or (ii) the

improvements constructed or to be constructed on the Subject Property, as described in the Development Agreement (which real property and improvements are, pursuant to Section 1.1, collectively referred to herein, along with the other property described in Section 1.1, as the Subject Property); together with all rents, issues, deposits and profits of the Subject Property (to the extent, if any, they are not subject to Article III); all inventory, accounts, cash receipts, deposit accounts, accounts receivable, contract rights, general intangibles, chattel paper, instruments, documents, notes, drafts, letters of credit, insurance policies, insurance and condemnation awards and proceeds, any other rights to the payment of money, trade names, trademarks and service marks arising from or related to the Subject Property or any business now or hereafter conducted thereon by Trustor; all permits, consents, approvals, licenses, authorizations and other rights granted by, given by or obtained from, any governmental entity with respect to the Subject Property; all deposits or other security now or hereafter made with or given to utility companies by Trustor with respect to the Subject Property; all advance payments of insurance premiums made by Trustor with respect to the Subject Property; all plans, drawings and specifications relating to the Subject Property; all loan funds held by Beneficiary, whether or not disbursed; all funds deposited with Beneficiary pursuant to any loan agreement; all reserves, deferred payments, deposits, accounts, refunds, cost savings and payments of any kind related to the Subject Property or any portion thereof; together with all replacements and proceeds of, and additions and accessions to, any of the foregoing; together with all books, records and files relating to any of the foregoing.

As to all of the above-described personal property which is or which hereafter becomes a "fixture" under applicable law, this Deed of Trust constitutes a security agreement and a fixture filing under Sections 9105, 9313 and 9402(6) of the California Uniform Commercial Code, as amended or recodified from time to time, and is acknowledged and agreed to be a "construction mortgage" under such Sections. Trustor is the "debtor" and Beneficiary is the "secured party". Beneficiary's security interest in the Collateral shall be junior and subject to the prior security interest of Trustor's existing lender(s) for the Subject Property.

4.2 RIGHTS OF BENEFICIARY. In addition to Beneficiary's rights as a "secured party" under the California Uniform Commercial Code, as amended or recodified from time to time ("UCC"), Beneficiary may, but shall not be obligated to, at any time without notice and at the expense of Trustor: (a) give notice to any person or entity of Beneficiary's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Collateral or any rights or interests of Beneficiary therein; (c) inspect the Collateral; and (d) endorse, collect and receive any right to payment of money owing to Trustor under or from the Collateral. Notwithstanding the above, in no event shall Beneficiary be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Beneficiary shall make an express written election of said remedy under UCC §9505, or other applicable law.

4.3 RIGHTS OF BENEFICIARY ON DEFAULT. Subject to the rights of the holder of the Senior Lien, upon the occurrence of a Default under this Deed of Trust, then in addition to all of Beneficiary's rights as a "secured party" under the UCC or otherwise at law:

a. Beneficiary may (i) upon written notice, require Trustor to assemble any or all of the Collateral and make it available to Beneficiary at a place designated by Beneficiary; (ii) without prior notice, enter upon the Subject Property or other place where any of the Collateral may be located and take possession of, collect, sell, and dispose of any or all of the Collateral, and store the same at locations acceptable to Beneficiary at Trustor's expense; (iii) sell, assign and deliver at any place or in any lawful manner all or any part of the Collateral and bid and become purchaser at any such sales; and

b. Beneficiary may, for the account of Trustor and at Trustor's expense: (i) operate, use, consume, sell or dispose of the Collateral as Beneficiary deems appropriate for the purpose of performing any or all of the Secured Obligations; (ii) enter into any agreement, compromise, or settlement, including insurance claims, which Beneficiary may deem desirable or proper with respect to any of the Collateral; and (iii) endorse and deliver evidences of title for, and receive, enforce and collect by legal action or otherwise, all indebtedness and obligations now or hereafter owing to Trustor in connection with or on account of any or all of the Collateral.

Notwithstanding any other provision hereof, Beneficiary shall not be deemed to have accepted any property other than cash in satisfaction of any obligation of Trustor to Beneficiary unless Trustor shall make an express written election of said remedy under UCC §9505, or other applicable law.

4.4 POWER OF ATTORNEY. Trustor hereby irrevocably appoints Beneficiary as Trustor's attorney-in-fact (such Commission (as defined in the Development Agreement) being coupled with an interest), and as such attorney-in-fact Beneficiary may, without the obligation to do so, in Beneficiary's name, or in the name of Trustor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve any of Beneficiary's security interests and rights in or to any of the Collateral, and, upon a Default hereunder, take any other action required of Trustor; *provided, however*, that Beneficiary as such attorney-in-fact shall be accountable only for such funds as are actually received by Beneficiary.

4.5 POSSESSION AND USE OF COLLATERAL. Except as otherwise provided in this Section 4.5 or the Development Agreement, so long as no Default exists under this Deed of Trust, Trustor may possess, use, move, transfer or dispose of any of the Collateral in the ordinary course of Trustor's business and in accordance with the Development Agreement.

ARTICLE 5. RIGHTS AND DUTIES OF THE PARTIES

ATTACHMENT 10

5.1 TITLE TO INTEREST. Trustor represents and warrants that, except as disclosed to Beneficiary in a writing which refers to this warranty, Trustor lawfully holds and possesses valid title to a fee interest to the Subject Property.

5.2 TAXES AND ASSESSMENTS. Subject to Trustor's right to in good faith to contest payment of taxes, Trustor shall pay prior to delinquency all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or which may become a lien upon or cause a loss in value of the Subject Property or any interest therein. Trustor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any public authority upon Beneficiary by reason of its interest in any Secured Obligation or in the Subject Property, or by reason of any payment made to Beneficiary pursuant to any Secured Obligation; *provided, however*, that Trustor shall have no obligation to pay taxes which may be imposed from time to time upon Beneficiary and which are measured by and imposed upon Beneficiary's net income.

5.3 PERFORMANCE OF SECURED OBLIGATIONS. Trustor shall promptly pay and perform each Secured Obligation when due.

5.4 LIENS, ENCUMBRANCES AND CHARGES. Except for the Senior Lien, Trustor shall immediately discharge any lien not approved by Beneficiary in writing that has or may attain priority over this Deed of Trust, subject to the requirements of the Development Agreement with respect to mechanic's liens. Except for the Senior Lien, Trustor shall pay when due all obligations secured by or reducible to liens and encumbrances which shall now or hereafter encumber or appear to encumber all or any part of the Subject Property or any interest therein, whether senior or subordinate hereto.

5.5 DEFENSE AND NOTICE OF LOSSES, CLAIMS AND ACTIONS. At Trustor's sole expense, Trustor shall protect, preserve and defend the Subject Property and title to and right of possession of the Subject Property, the security hereof and the rights and powers of Beneficiary and Trustee hereunder against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing of the assertion of any claim, of the filing of any action or proceeding, of the occurrence of any damage to the Subject Property and of any condemnation offer or action.

5.6 ACCEPTANCE OF TRUST; POWERS AND DUTIES OF TRUSTEE. Trustee accepts this trust when this Deed of Trust is recorded. From time to time upon written request of Beneficiary and presentation of this Deed of Trust or a certified copy thereof for endorsement, and without affecting the personal liability of any person or entity for payment of any indebtedness or performance of any obligations secured hereby, Trustee may, without liability therefor and without notice: (a) reconvey all or any part of the Subject Property; (b) consent to the making of any map or plat thereof; and (c) join in any grant of easement thereon, any declaration of covenants and restrictions, or any extension agreement or any agreement subordinating the lien or charge of this Deed of Trust. Except as may be required by applicable law, Trustee or Beneficiary may from time to time apply to any court of competent jurisdiction

for aid and direction in the execution of the trust hereunder and the enforcement of the rights and remedies available hereunder, and may obtain orders or decrees directing or confirming or approving acts in the execution of said trust and the enforcement of said remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding, including, without limitation, actions in which Trustor, Beneficiary or Trustee shall be a party unless held or commenced and maintained by Trustee under this Deed of Trust. Trustee shall not be obligated to perform any act required of it hereunder unless the performance of the act is requested in writing and Trustee is reasonably indemnified and held harmless against loss, cost, liability or expense.

5.7 COMPENSATION; EXCULPATION; INDEMNIFICATION.

a. Trustor shall pay Trustee's fees and reimburse Trustee for expenses in the administration of this trust, including, without limitation, attorneys' fees. Trustor shall pay to Beneficiary reasonable compensation for services rendered concerning this Deed of Trust, including without limit any statement of amounts owing under any Secured Obligation. Beneficiary shall not directly or indirectly be liable to Trustor or any other person or entity as a consequence of (i) the exercise of the rights, remedies or powers granted to Beneficiary in this Deed of Trust; (ii) the failure or refusal of Beneficiary to perform or discharge any obligation or liability of Trustor under any agreement related to the Subject Property or under this Deed of Trust; or (iii) any loss sustained by Trustor or any third party resulting from Beneficiary's failure to sell, lease or sublease the Subject Property after a Default or from any other act or omission of Beneficiary in managing the Subject Property after a Default, unless the loss is caused by the gross negligence or willful misconduct of Beneficiary, and no such liability shall be asserted against or imposed upon Beneficiary, and all such liability is hereby expressly waived and released by Trustor.

b. Trustor indemnifies Trustee and Beneficiary against, and holds Trustee and Beneficiary harmless from, all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other expenses which either may suffer or incur: (i) by reason of this Deed of Trust; (ii) by reason of the execution of this trust or in performance of any act required or permitted hereunder or by law; (iii) as a result of any failure of Trustor to perform Trustor's obligations; or (iv) by reason of any alleged obligation or undertaking on Beneficiary's part to perform or discharge any of the representations, warranties, conditions, covenants or other obligations contained in any other document related to the Subject Property, unless the loss is caused by the gross negligence or willful misconduct of Trustee or Beneficiary, as applicable. The above obligation of Trustor to indemnify and hold harmless Trustee and Beneficiary shall survive the release and cancellation of the Secured Obligations and the release and reconveyance or partial release and reconveyance of this Deed of Trust. Notwithstanding the foregoing, however, that under no circumstances shall these indemnity obligations of Trustor include any obligation for payment of punitive damages assessed against Beneficiary or Trustee or their officers, employees, agents or representatives.

ATTACHMENT 10

c. Trustor shall pay all amounts and indebtedness arising under this Section 5.7 immediately upon demand by Trustee or Beneficiary together with interest thereon from the date the indebtedness arises at the rate of interest then applicable to the Secured Obligation.

5.8 SUBSTITUTION OF TRUSTEE. From time to time, by a writing, signed and acknowledged by Beneficiary and recorded in the Office of the Recorder of the county in which the Subject Property is situated, Beneficiary may appoint another trustee to act in the place and stead of Trustee or any successor. Such writing shall set forth any information required by law. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to the provisions of this Section 5.8 shall be conclusive proof of the proper substitution of such new Trustee.

5.9 RELEASES, EXTENSIONS, MODIFICATIONS AND ADDITIONAL SECURITY. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in all or any part of the Subject Property or in any manner obligated under the Secured Obligations ("**Interested Parties**"), Beneficiary may, from time to time, release any person or entity from liability for the payment or performance of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or a portion of the Subject Property and other security for the Secured Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of this Deed of Trust upon the Subject Property.

5.10 RECONVEYANCE. Upon Beneficiary's written request, and upon surrender to Trustee for cancellation of this Deed of Trust or a certified copy thereof and any note, instrument, or instruments setting forth all obligations secured hereby, Trustee shall reconvey, without warranty, the Subject Property or that portion thereof then held hereunder. To the extent permitted by law, the reconveyance may describe the grantee as "the person or persons legally entitled thereto" and the recitals of any matters or facts in any reconveyance executed hereunder shall be conclusive proof of the truthfulness thereof. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons or entities claiming to be rightful grantees of any reconveyance. When the Subject Property has been fully reconveyed, the last such reconveyance shall operate as a reassignment of all future rents, issues and profits of the Subject Property to the person or persons legally entitled thereto.

5.11 SUBROGATION. Beneficiary shall be subrogated to the lien of all encumbrances, whether released of record or not, paid in whole or in part by Beneficiary pursuant to this Deed of Trust or by the proceeds of any loan secured by this Deed of Trust.

ARTICLE 6. DEFAULT PROVISIONS

6.1 DEFAULT. For all purposes hereof, the term "**Default**" shall mean: (a) at Beneficiary's option, the failure of Trustor to make any payment of a Secured Obligation or to

pay any other amount due hereunder or under the Development Agreement when the same is due and payable, within ten (10) days after receipt of written notice from Beneficiary; or (b) the failure of Trustor to perform any non-monetary obligation hereunder, or the failure to be true of any representation or warranty of Trustor contained herein and the continuance of such failure for thirty (30) days after notice from Beneficiary (or such longer grace period as may be provided pursuant to the Development Agreement for such failure or the existence of any default under the Development Agreement), or if it is not reasonably practicable to cure or remedy such failure within such thirty (30) -day period, then Trustor shall not be deemed to be in default if Trustor shall commence such cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion.

6.2 RIGHTS AND REMEDIES. At any time after Default, Beneficiary and Trustee shall each have all the following rights and remedies:

a. With or without notice, to declare all Secured Obligations immediately due and payable; and

b. With or without notice, and without releasing Trustor from any Secured Obligation, and without becoming a mortgagee in possession, to cure any breach or Default of Trustor and, in connection therewith, to enter upon the Subject Property and do such acts and things as Beneficiary or Trustee deem necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee under this Deed of Trust; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole and absolute judgment of either Beneficiary or Trustee, is or may be senior in priority to this Deed of Trust, the judgment of Beneficiary or Trustee being conclusive as between the parties hereto; (iii) to obtain insurance; (iv) to pay any premiums or charges with respect to insurance required to be carried under this Deed of Trust; and/or (v) to employ counsel, accountants, contractors and other appropriate persons; and

c. To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this instrument as a mortgage or to obtain specific enforcement of the covenants of Trustor hereunder, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Trustor waives the defense of laches and any applicable statute of limitations; and

d. To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Subject Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Secured Obligations, the existence of a declaration that the Secured Obligations are immediately due and payable, or the filing of a notice of default, and Trustor hereby consents to such appointment; and

ATTACHMENT 10

e. To enter upon, possess, manage and operate the Subject Property or any part thereof, to take and possess all documents, books, records, papers and accounts of Trustor or the then owner of the Subject Property, to make, terminate, enforce or modify Leases of the Subject Property upon such terms and conditions as Beneficiary deems proper, to make repairs, alterations and improvements to the Subject Property as necessary, in Trustee's or Beneficiary's sole and absolute judgment, to protect or enhance the security hereof; and

f. To execute a written notice of such Default and of its election to cause the Subject Property to be sold to satisfy the Secured Obligations. As a condition precedent to any such sale, Trustee shall give and record such notice as the law then requires. When the minimum period of time required by law after such notice has elapsed, Trustee, without notice to or demand upon Trustor except as required by law, shall sell the Subject Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as Beneficiary in its sole and absolute discretion may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at time of sale. Neither Trustor nor any other person or entity other than Beneficiary shall have the right to direct the order in which the Subject Property is sold. Subject to requirements and limits imposed by law, Trustee may from time to time postpone sale of all or any portion of the Subject Property by public announcement at such time and place of sale. Trustee shall deliver to the purchaser at such sale a deed conveying the Subject Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person or entity, including Trustee, Trustor or Beneficiary may purchase at the sale; and

g. To resort to and realize upon the security hereunder and any other security now or later held by Beneficiary concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received upon the Secured Obligations all in such order and manner as Trustee and Beneficiary, or either of them, determine in their sole and absolute discretion; and

h. Upon sale of the Subject Property at any judicial or non-judicial foreclosure, Beneficiary may credit bid (as determined by Beneficiary in its sole and absolute discretion) all or any portion of the Secured Obligations. In determining such credit bid, Beneficiary may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Subject Property as such appraisals may be discounted or adjusted by Beneficiary in its sole and absolute underwriting discretion; (ii) expenses and costs incurred by Beneficiary with respect to the Subject Property prior to foreclosure; (iii) expenses and costs which Beneficiary anticipates will be incurred with respect to the Subject Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Subject Property prior to resale, costs of resale (e.g. commissions, attorneys' fees, and taxes), costs of any hazardous materials clean-up and monitoring, costs of deferred maintenance, repair, refurbishment and retrofit, costs of defending or settling litigation affecting the Subject Property, and lost opportunity costs (if any), including, without limitation, the time value of money during any anticipated holding period by

Beneficiary; (iv) declining trends in real property values generally and with respect to properties similar to the Subject Property; (v) anticipated discounts upon resale of the Subject Property as a distressed or foreclosed property; (vi) the fact of additional collateral (if any), for the Secured Obligations; and (vii) such other factors or matters that Beneficiary (in its sole and absolute discretion) deems appropriate. In regard to the above, Trustor acknowledges and agrees that: (w) Beneficiary is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (x) this Section does not impose upon Beneficiary any additional obligations that are not imposed by law at the time the credit bid is made; (y) the amount of Beneficiary's credit bid need not have any relation to any loan-to-value ratios previously discussed between Trustor and Beneficiary; and (z) Beneficiary's credit bid may be (at Beneficiary's sole and absolute discretion) higher or lower than any appraised value of the Subject Property.

6.3 APPLICATION OF FORECLOSURE SALE PROCEEDS. After deducting all costs, fees and expenses of Trustee, and of this trust, including, without limitation, cost of evidence of title and attorneys' fees in connection with sale and costs and expenses of sale and of any judicial proceeding wherein such sale may be made, Trustee shall apply all proceeds of any foreclosure sale: (a) to payment of all sums expended by Beneficiary under the terms hereof and not then repaid, with accrued interest at the rate of interest as may be specified in the Development Agreement to be applicable on or after maturity or acceleration of the Secured Obligations; (b) to payment of all other Secured Obligations; and (c) the remainder, if any, to the person or persons legally entitled thereto.

6.4 APPLICATION OF OTHER SUMS. All sums received by Beneficiary under Section 6.2 or Section 3.2, less all costs and expenses incurred by Beneficiary or any receiver under Section 6.2 or Section 3.2, including, without limitation, attorneys' fees, shall be applied in payment of the Secured Obligations in such order as Beneficiary shall determine in its sole and absolute discretion; *provided, however*, that Beneficiary shall have no liability for funds not actually received by Beneficiary.

6.5 NO CURE OR WAIVER. Neither Beneficiary's nor Trustee's nor any receiver's entry upon and taking possession of all or any part of the Subject Property, nor any collection of rents, issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise or failure to exercise of any other right or remedy by Beneficiary or Trustee or any receiver shall cure or waive any breach, Default or notice of default under this Deed of Trust, or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and Trustor has cured all other defaults), or impair the status of the security, or prejudice Beneficiary or Trustee in the exercise of any right or remedy, or be construed as an affirmation by Beneficiary of any tenancy, lease or option or a subordination of the lien of this Deed of Trust.

6.6 PAYMENT OF COSTS, EXPENSES AND ATTORNEYS' FEES. Trustor agrees to pay to Beneficiary immediately and without demand all costs and expenses incurred by Trustee and Beneficiary pursuant to Section 6.2 (including, without limitation, court costs and

ATTACHMENT 10

attorneys' fees, whether incurred in litigation or not) with interest from the date of expenditure until said sums have been paid at the rate of interest as may then be applicable to the principal balance of the Secured Obligation(s). In addition, Trustor shall pay to Trustee all Trustee's fees hereunder and shall reimburse Trustee for all expenses incurred in the administration of this trust, including, without limitation, any attorneys' fees.

6.7 POWER TO FILE NOTICES AND CURE DEFAULTS. Trustor hereby irrevocably appoints Beneficiary and its successors and assigns, as its attorney-in-fact, which Commission is coupled with an interest, (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, (b) upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment or further assurance with respect to the Leases and the Payments in favor of the grantee of any such deed, as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Collateral, and (d) upon the occurrence of an event, act or omission which, with notice or passage of time or both, would constitute a Default, Beneficiary may perform any obligation of Trustor hereunder; *provided, however*, that: (i) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (ii) Beneficiary shall not be liable to Trustor or any other person or entity for any failure to act under this Section 6.7.

ARTICLE 7. MISCELLANEOUS PROVISIONS

7.1 NO MERGER. No merger shall occur as a result of Beneficiary's acquiring any other estate in, or any other lien on, the Subject Property unless Beneficiary consents to a merger in writing. If both the lessor's and lessee's estate under any lease or any portion thereof which now or hereafter constitutes a part of Subject Property shall at any time become vested in one owner, then this Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger unless Beneficiary so elects as evidenced by recording a written declaration so stating, and, unless and until Beneficiary so elects, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this Deed of Trust on the Subject Property pursuant to the provisions hereof, any leases or subleases then existing and affecting all or any portion of the Subject Property shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Beneficiary or any purchaser at such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

7.2 WAIVER OF MARSHALLING RIGHTS. Trustor, for itself and for all parties claiming through or under Trustor, and for all parties who may acquire a lien on or interest in the Subject Property, hereby waives all rights to have the Subject Property and/or any other property, including, without limitation, the Collateral, which is now or later may be security for any

ATTACHMENT 12**La Alameda Shopping Center, Walnut Park, CA**

08/04/2005

Hard Costs - Breakdown	
Office Parking	\$1,320,000
Utility Relocations	\$650,000
Demolition	\$1,000,000
On-site	\$3,509,143
Shell	\$14,977,545
Vanilla Shells	\$3,990,787
TI Allowances	\$3,130,218
Landscape	\$400,000
Signage	\$301,000
Contingency	\$1,463,935
Sub-Total	\$30,742,628

Soft Costs - Breakdown	
Architectural & Enginee	\$1,445,172
Legal & Accounting	\$350,000
Leasing Commissions	\$1,668,448
Utility Connection fees	\$200,000
Deputy & Field Inspectio	\$150,000
Mitigation, Permits & Fe	\$481,724
Title	\$76,775
Builder's Risk	\$336,705
First Year Property Tax	\$195,500
Construction Manageme	\$144,000
Developer's Fees	\$1,248,224
Contingencies	\$235,441
Interest on HUD Loan in	\$371,250
Interest on Construction	\$2,360,313
Loan fees	\$415,000
Sub-Total	\$9,596,712

Total Hard Costs	\$30,742,628
Total Soft Costs	\$9,596,712
Off-Site Costs	\$ 1,500,000
Land/Acquisition Cost	\$ 17,000,000
Grand Total	\$ 58,839,340

ATTACHMENT 13**PROJECT SCHEDULE****PART 1 GENERAL****1.1 SCOPE**

- A. The Developer shall prepare and maintain a Project Development Schedule using a Cost loaded, critical path method (CPM) of schedule analysis. The Developer/Contractor shall prepare and maintain a Project Construction Schedule using a Cost Loaded critical path method (CPM) of schedule analysis.
- B. The schedule is a management tool. It is used to demonstrate the Developer's Development Schedule and Contractor's means of construction, to identify the critical path of work necessary for on-time completion, and to provide a method of analyzing the effects of delays to the contract completion date. Additionally, the Cost Loaded component will be used to evaluate progress payment applications.
- C. The requirement for the Project Schedule is included to assure adequate planning and execution of the Work and to assist the Commission in appraising the reasonableness of the proposed Project Schedule and evaluating the progress of the Work.
- D. Float is a continuously expiring project resource equally available to the both the Contractor and Developer.

1.2 RELATED WORK**PART 2 PRODUCTS****2.1 AUTOMATED SCHEDULING PROGRAMS**

- A. The Developer/Contractor shall prepare the Project Schedule using Primavera Project Planner © (P3), SureTrak Project Manager © 3.0, or Microsoft Project 2000 © or equal.
- B. If the Developer/Contractor elects to use another automated scheduling program, it shall provide a licensed copy that works with Windows 98 or 2000 and shall provide training at no cost to the Owner.

2.2 SUBMITTALS

- A. IN THE EVENT THAT THE DEVELOPER/CONTRACTOR FAILS TO COMPLY WITH THE PROVISIONS OF THIS SECTION 01310, PROJECT SCHEDULE, IT SHALL UNCONDITIONALLY WAIVE ALL CLAIMS FOR DELAY AND SHALL WAIVE ALL DEFENSES FOR THE ASSESSMENT OF LIQUIDATED DAMAGES DURING THE TIME IT IS NOT IN COMPLIANCE. IF COMPLIANCE IS ACHIEVED, THE CONTRACTOR'S CLAIMS FOR DELAY OR DEFENSES FOR LIQUIDATE DAMAGES SHALL EXCLUDE THE TIME IT WAS NOT IN COMPLIANCE WITH THIS SECTION.

- B. All Project Schedule submittals shall include an electronic version, provided on 3 ½ inch floppy disks, or other electronic means acceptable to the Commission, compatible with the Windows operating system, in a format readable by Primavera scheduling programs.
- C. Each Project Schedule submittal shall include a time-scaled network activity diagram (Gantt Chart).
 - 1. The Developer/Contractor shall plot the diagram on ANSI C sized paper or other size approved by the Commission.
 - 2. The organization and layout of the diagram shall be as directed by the Commission.
 - 3. The network activity diagram shall show for each activity its description, its unique activity number, its estimated duration in work days, and its relationship with other activities. The critical path shall be shown on the network activity diagram.
- D. Preliminary Project Schedule.
 - 1. The Developer/Contractor shall prepare a Preliminary Project Schedule and submit it at the pre-construction conference.
 - 2. The Developer/Contractor can elect to submit the Proposed Baseline Project Schedule in lieu of the Preliminary Project Schedule.
- E. Baseline Project Schedule
 - 1. The proposed Baseline Project Schedule shall be submitted within 10 working days after the Notice to Proceed is issued or such other time as the Commission may allow. In no case shall the proposed Baseline Project Schedule be submitted later than 20 working days after the Notice to Proceed has been issued.
- F. Schedule Review
 - 1. The Commission will review Project Schedule submittals and provide written comments within 10 working days. The review comments will only address the Developer/Contractor's compliance with the contract requirements including contract time, milestones, and owner imposed construction constraints. They do not constitute an approval of the Developer/Contractor's approach. Scheduling the project and the means and methods needed to achieve the schedule are solely the responsibility of the contractor.
 - 2. Review of the Project Schedule does not relieve the Developer/Contractor of its responsibility for meeting the Contract Completion Date. Any omission of work from the Project Schedule shall not excuse the Developer/Contractor from completing such work within the Contract Time.
 - 3. The Developer/Contractor shall make adjustments in the Project Schedule to accommodate the Commission's needs so long as such changes do not increase the

Developer/Contractor's costs for performing the work or do not extend the Contract Completion Date.

PART 3 EXECUTION

3.1 GENERAL

A. The following requirements are based on using SureTrak Project Manager © 3.0. If the Developer/Contractor is using another scheduling program, it shall be configured to yield similar results.

B. Activity Codes

1. Each activity shall have the following activity codes defined and completed:

- a) RESP-The entity responsible for completing the activity. Each activity shall be assigned to the Developer/Contractor, subcontractor, supplier, governmental agency, or the Commission.
- b) AREA-Logical subdivision of the Project as determined by the Developer/Contractor. As a minimum, use the following:
 - i) Mobilization
 - ii) Submittals/Review/Procurement
 - iii) Time impact analysis
 - iv) Sitework/underground
 - v) Foundation
 - vi) Structure(s)
 - vii) Landscape
 - viii) Closeout
- c) PHAS-Phase of work having separate completion milestone or other Contract constraint.
- d) WBS-work breakdown structure codes are optional.

C. Calendar

- 1. The normal workweek project calendar shall exclude weekends and Commission's observed holidays as workdays.
- 2. Special calendars for overtime, shift work, or extended work days may also be defined at the Developer/Contractor's option.

D. Constraints

- 1. No start or finish constraints shall be allowed on activities other than those required by the Contract Documents.
- 2. The "Must Finish Date" for the project shall be the Contract Completion Date.

E. Logical Relationships

1. Only one logical relationship shall exist between any two activities.

F. Critical Path

1. Only one critical path shall be defined.

3.2 Preliminary Project Schedule

- A. It shall include all activities to be accomplished before the review of the Baseline Project Schedule is completed.
- B. The Commission will review the Preliminary Project Schedule.
 1. It will be the basis of measuring project progress until replaced by the Baseline Project Schedule.
- C. The Preliminary Project Schedule shall show:
 1. Activity relationships.
 2. Project constraints.
 3. The critical path.
 4. The start and finish dates of all activities.
 5. Submittal review and procurement of major piece of equipment.
 6. Progress milestone events.
 7. The time required for testing, inspection and other procedures required prior to acceptance of the Work.
 8. Activity duration shall be no longer than twenty (20) workdays, except for submittal and procurement activities. If an activity takes longer, it shall be broken into appropriate segments of work for measurement of progress. The Commission may waive this limitation for activities whose progress can be easily monitored.

3.3 Baseline Project Schedule

- A. The proposed Baseline Project Schedule shall incorporate all the requirements and information presented in the Preliminary Project Schedule.
- B. The proposed Baseline Project Schedule shall include construction activities, activities for the submittal and approval of samples of material and shop drawings, procurement activities for critical materials and equipment, fabrication activities for special material and equipment, and installation and testing activities.

- C. Activities of the Commission that affect the schedule shall be shown with the RESP code assigned to the Commission.
- D. The level of detail shall be subject to review by the Commission.
- E. After review of the proposed Baseline Project Schedule, the Developer/Contractor shall revise it as requested by the Commission's review comments. The revised schedule shall become the Baseline Project Schedule.
- F. Early Completion.
 - 1. The Developer/Contractor shall explain what additional means and methods it will employ to achieve early completion.
 - 2. It shall be understood that the Developer/Contractor's project home office overhead and General Requirements costs are sufficient for the entire Contract Time unless the Developer/Contractor provides compelling documentation to the contrary.
 - a) If the Developer/Contractor demonstrates to the Commission's satisfaction that early completion date is achievable and that its project home office overhead and General Requirements costs were estimated to cover only the reduced contract time, the Developer/Contractor agrees that the time between the early completion date and the Contract Completion Date is project float. At its option, the Developer/Contractor can request a contract change order reducing the Contract Time.

3.4 Schedule Updates.

A. Monthly Updates

- 1. Each month the developer/Contractor shall prepare and submit a schedule update that reflects the progress of the Work through the progress payment cutoff date.
 - a) The monthly update shall be submitted at the same time as the Progress Payment Request.
 - b) The update shall incorporate executed and show pending Contract Change Orders as they relate to the logic and sequence of the Work, the critical path, and the Contract time.
- B. Additional updates may be required when any of the following conditions exist:
 - 1. When a delay results in an extension of Contract Time by either twenty (20) working days or by five (5) percent of the remaining duration of time to complete the Contract, whichever is less.
 - 2. When submittal or procurement delays make rescheduling necessary.
 - 3. When the Project Schedule does not represent actual prosecution and progress of the Work.

4. When there is a revision to the sequence of activities.
 5. When an interim milestone date is likely to be missed.
 6. When changes occur to the critical path.
-
7. When a Contract Change Order will result in an extension in the Contract Time.

C. Reports

1. The Developer/Contractor shall submit a report of the actual construction progress with the Project Schedule update.
 - a) The report shall include the status of submittals and procurement of major items.
 - b) It shall identify changes to the Project Schedule including added or deleted activities, delays, changes in logic, changes in activity duration, and any other substantive changes to the schedule since the previous report was submitted.
 - c) If there is a difference in the percent complete progress as measured by the Project Schedule and the percent complete progress as measured by the Progress Payment Request, the Developer/Contractor shall explain the reason for the difference.
 - d) The narrative report shall include a description of problems and delays and an assessment of their effects. It shall identify corrective actions taken or proposed.

D. Time Impact Analysis

1. The update shall incorporate schedule delays and approved time extensions as they occur.
2. The delays shall be assigned an AREA code of "Time Impact Analysis" and an appropriate RESP code assigning ownership as excusable, compensable, or non-excusable.
3. Provide a "but-for" analysis that classifies the delays as compensable, non-excusable, and concurrent.

3.5 Three week look ahead schedules.

- A. At each weekly meeting, Developer/Contractor shall submit to the Commission a look-ahead schedule showing activities to be accomplished during the following three weeks. The look-ahead schedule shall as a minimum show activities from the current Project Schedule as well as activities requiring the Commission's action.

END OF SECTION

COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES
2 Coral Circle
Monterey Park, California 91755

LA Alameda, LLC
228 South Beverly Drive
2nd Floor
Beverly Hills, California 90212
Attn: Mr. Arturo Sneider

Re: Development Agreement

Dear Mr. Sneider:

In accordance with your request dated _____, _____ pursuant to Section 325 of that certain Development Agreement (the "Agreement") dated as of the _____ day of _____, 2005, by and between the Community Development Commission of the County of Los Angeles (the "Commission") and LA Alameda, LLC, a California limited liability company, (the "Developer"), the Commission hereby certifies that:

(i) either [The Agreement [and/or any other document(s) referenced therein to which the Developer's request relates] is unmodified and in full force and effect] or [The Agreement [and/or any other document(s) referenced therein to which the Developer's request relates] is in full force and effect, as modified, and the date and nature of such modifications are [INSERT]];

(ii) either [There are no current defaults under the Agreement [and/or any other document(s) referenced therein to which the Developer's request relates]] or [The dates and nature of the current defaults under the Agreement [and/or any other document(s) referenced therein to which the Developer's request relates] are [INSERT]]; and

(iii) [Any other reasonable information requested].

Please call me at _____ if you have any questions.

Sincerely,

[Signature]

No shame.

No blame.

No names.

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**



In Los Angeles County:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors

Gloria Molina, Supervisor, First District

Yvonne Brathwaite Burke, Supervisor, Second District

Zev Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This Initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

**Los recién nacidos pueden ser entregados
en forma segura en la sala de emergencia de
cualquier hospital o en un cuartel de bomberos
del Condado de Los Angeles.**



En el Condado de Los Angeles:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

**Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.**

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

**STANDARD CONTRACT LANGUAGE FOR THE
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**

SECTION ____

COMPLIANCE WITH JURY SERVICE PROGRAM

A. Jury Service Program.

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy.

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
APPLICATION FOR EXEMPTION AND CERTIFICATION FORM**

The Community Development Commission's (Commission) solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the Commission's Contractor Employee Jury Service Program (Program). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exemption from the Program requirements or 2) certify compliance. Upon review of the submitted form, the Commission will determine, in its sole discretion, whether the bidder or proposer is exempted from the Program.

Company Name:		
Company Address:		
City:	State:	Zip Code:
Telephone Number:		
Solicitation For (Type of Goods or Services):		

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program Is Not Applicable to My Business

- ☐ My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more Commission contracts or subcontracts (this exemption is not available if the contract/purchase order itself exceeds \$50,000). I understand that the exemption will be lost and I must comply with the Program if my revenues from the Commission will exceed an aggregate sum of \$50,000 in any 12-month period.

- ☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, is \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- ☐ My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II - Certification of Compliance

- ☐ My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name:	Title:
Signature:	Date:

FEDERAL LOBBYIST REQUIREMENTS

CERTIFICATION

Name of Firm: _____ Date: _____

Address: _____

State: _____ Zip Code: _____ Phone No. : _____

Acting on behalf of the above named firm, as its Authorized Official, I make the following Certification to the Department of Housing and Urban Development (HUD) and the Community Development Commission, County of Los Angeles:

- 1) No Federal appropriated funds have been paid, by or on behalf of the above named firm to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of and Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment, or modification thereof, and;
- 2) If any funds other than Federal appropriated funds have paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the above named firm shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, and;
- 3) The above name firm shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreement) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Authorized Official:

Name: _____ Title: _____

Signature: _____ Date: _____



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. October 2001)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What Is the EIC?

The EIC is a refundable tax credit for certain workers. A change to note. Workers cannot claim the EIC if their 2001 investment income (such as interest and dividends) is over \$2,450.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note: You are encouraged to notify each employee whose wages for 2001 are less than \$32,121 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2002.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676. You can also get the notice from the IRS Web Site at www.irs.gov.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2001 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit.

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2001 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2001 and owes no tax but is eligible for a credit of \$791, he or she must file a 2001 tax return to get the \$791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2001 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15, Employer's Tax Guide.

Notice 1015
(Rev. 10-2001)

EXHIBIT ONE-Page 1

**AMORTIZATION SCHEDULE FOR HUD-108 LOAN TO LOS ANGELES
COUNTY COMMUNITY DEVELOPMENT COMMISSION FOR FLORENCE
ALAMEDA ASSOCIATES, LLC FOR THE LA ALAMEDA SHOPPING
CENTER PROJECT**

<u>YEAR</u>	<u>OPENING LOAN BALANCE</u>	<u>INTEREST RATE^A</u>	<u>INTEREST PAYMENT</u>	<u>PRINCIPAL PAYMENT</u>	<u>TOTAL PAYMENT</u>	<u>ENDING LOAN BALANCE</u>
1	\$8,250,000	4.3%	\$354,750	\$425,000	\$779,750	\$7,825,000
2	7,825,000	5.1%	399,075	380,000	779,075	7,445,000
3	7,445,000	5.6%	416,920	365,000	781,920	7,080,000
4	7,080,000	6.0%	424,800	375,000	799,800	6,705,000
5	6,705,000	6.3%	422,415	380,000	802,415	6,325,000
6	6,325,000	6.6%	417,450	385,000	802,450	5,940,000
7	5,940,000	6.8%	403,920	400,000	803,920	5,540,000
8	5,540,000	7.0%	387,800	415,000	802,800	5,125,000
9	5,125,000	7.1%	363,875	435,000	798,875	4,690,000
10	4,690,000	7.2%	337,680	440,000	777,680	4,250,000
11	4,250,000	7.4%	314,500	425,000	739,500	3,825,000
12	3,825,000	7.5%	286,875	425,000	711,875	3,400,000
13	3,400,000	7.6%	258,400	425,000	683,400	2,975,000 ^B
14	2,975,000	7.7%	229,075	425,000	654,075	2,550,000
15	2,550,000	7.8%	198,900	425,000	623,900	2,125,000
16	2,125,000	7.8%	165,250	425,000	590,750	1,700,000
17	1,700,000	7.9%	134,300	425,000	559,300	1,275,000
18	1,275,000	7.9%	100,725	425,000	525,725	850,000
19	850,000	8.0%	68,000	425,000	493,000	425,000
20	425,000	8.0%	34,000	425,000	459,000	—
Average					\$698,461	

^ABased on HUD-108 offering of 6/22/04 plus 2%.

^BCumulative excess sales tax and property tax will permit early repayment of the HUD-108 loan in year 13.

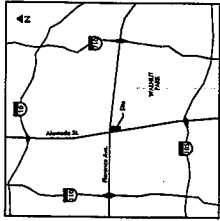
EXHIBIT ONE-Page 2

**AMORTIZATION SCHEDULE FOR HUD-108 LOAN TO LOS ANGELES
COUNTY COMMUNITY DEVELOPMENT COMMISSION FOR FLORENCE
ALAMEDA ASSOCIATES, LLC FOR THE LA ALAMEDA SHOPPING
CENTER PROJECT**

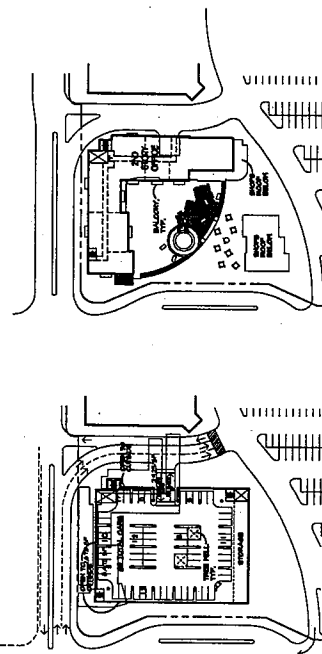
YEAR	NET SALES	PROPERTY	50% OF TOTAL	50% OF TOTAL	EXCESS	CUMULATIVE
	TAX PER KMA	TAX PER KMA	PAYMENT FROM CDBG	PAYMENT FROM SALES/ PROP. TAX	SALES/ PROP. TAX	EXCESS SALES/ PROP. TAX
1	\$391,000	49,000	\$389,875	\$389,875	\$50,125	\$50,125
2	484,000	50,000	389,538	389,538	144,462	194,587
3	555,000	51,000	390,960	390,960	215,040	409,627
4	572,000	52,000	399,900	399,900	224,100	633,727
5	589,000	53,000	401,208	401,208	240,792	874,519
6	606,000	54,000	401,225	401,225	258,775	1,133,294
7	625,000	55,000	401,960	401,960	278,040	1,411,334
8	643,000	56,000	401,400	401,400	297,600	1,708,934
9	663,000	57,000	399,438	399,438	320,562	2,029,496
10	683,000	59,000	388,840	388,840	353,160	2,382,560
11	703,000	60,000	369,750	369,750	393,250	2,775,906
12	724,000	61,000	355,938	355,938	429,062	3,204,968
13	746,000	62,000	341,700	341,700	466,300	3,671,268 ^b
14	768,000	63,000	327,038	327,038	503,962	4,175,230
15	791,000	65,000	311,950	311,950	544,050	4,719,280
16	815,000	66,000	295,375	295,375	585,625	5,304,905
17	839,000	67,000	279,650	279,650	626,350	5,931,255
18	865,000	69,000	262,863	262,863	671,137	6,602,392
19	891,000	70,000	246,500	246,500	714,500	7,316,892
20	917,000	71,000	229,500	229,500	758,500	8,075,392
Average	\$693,500	\$59,500	\$349,230	\$349,230		

^aBased on HUD-108 offering of 6/22/04 plus 2%.

^bCumulative excess sales tax and property tax will permit early repayment of the HUD-108 loan in year 13.



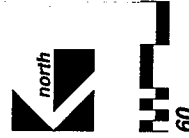
Vicinity Map



PHASE I
Parking Provided: 838

PHASE II
Parking Provided: 219

PLAZA PARKING LEVEL
18,000 SF. NET



Summary

Land	± 17.9 AC	± 779,051 SF
Building: Retail	222,012 SF	
Office	18,000 SF	
Total	240,012 SF	
Parking Provided	1,073 stalls	
Standard	830 stalls	
Compact	243 stalls	
(Including 37 H.C. stalls)		
Parking Ratio	4.47/1000	

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SITE PLAN

FLORENCE @ ALAMEDA
WALNUT PARK, CA.



LA ALAMEDA



DATE: JUNE 15, 2005
DRAWN: JRM
1990 E. LINCOLN, NORTH BLOOM
LOS ANGELES, CA 90033
TEL: 310.441.1111
WWW.NADDELARCH.COM

Nadel Architects Inc

DESCRIPTION OF LAND

IN THE UNINCORPORATED TERRITORY OF LOS ANGELES COUNTY, STATE OF CALIFORNIA, BEING DESCRIBED AS FOLLOWS:

LOTS 1 TO 4 INCLUSIVE AND LOTS 25 TO 27 INCLUSIVE OF THE REM NADEAU TRACT, AS PER MAP RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 7.5 FEET OF LOT 26 OF SAID REM NADEAU TRACT.

TOGETHER WITH LOTS 1, 2, 3 AND 12 OF THE REM NADEAU TRACT NO. 2, AS PER MAP RECORDED IN BOOK 8, PAGE 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THE NORTHERLY 30 FEET OF SAID LOT 1 CONDEMNED FOR WIDENING FLORENCE AVENUE BY DECREE IN CASE NO. 156888, SUPERIOR COURT.

TOGETHER WITH LOTS 4 TO 11, INCLUSIVE, OF REM NADEAU TRACT NO. 2, AS PER MAP RECORDED IN BOOK 8, PAGE 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT CERTAIN ALLEY, AS SHOWN ON MAP OF THE REM NADEAU TRACT, RECORDED IN BOOK 6, PAGE 71, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS VACATED IN DOCUMENT RECORDED NOVEMBER 1, 1967 AS INSTRUMENT NO. 3410, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF TRACT NO. 30326, FILED IN BOOK 819, PAGE 42, RECORDS OF SAID COUNTY; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 1, NORTH 89° 29' 45" EAST, A DISTANCE OF 185.33 FEET; THENCE SOUTH 00° 36' 25" EAST, A DISTANCE OF 5.00 FEET; THENCE NORTH 89° 29' 45" EAST, A DISTANCE OF 327.30 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY OF ROSEBERRY AVENUE; THENCE, ALONG SAID RIGHT OF WAY, SOUTH 00° 39' 35" EAST, A DISTANCE OF 395.00 FEET TO THE SOUTHEASTERLY CORNER OF LOT 11 OF THE REM NADEAU TRACT NO. 2 FILED IN BOOK 8, PAGE 19; THENCE LEAVING SAID RIGHT OF WAY, SOUTH 89° 29' 45" WEST, A DISTANCE OF 142.66 FEET; THENCE SOUTH 00° 36' 25" EAST, A DISTANCE OF 20.00 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 1; THENCE SOUTH 89° 29' 45" WEST, A DISTANCE OF 185.00 FEET; THENCE NORTH 00° 36' 25" WEST, A DISTANCE OF 20.00 FEET; THENCE SOUTH 89° 29' 45" WEST, A DISTANCE OF 112.91 FEET; THENCE NORTH 10° 52' 00" WEST, A DISTANCE OF 406.63 FEET TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION INCLUDED WITHIN LOT 1 OF SAID TRACT 30326.

TOGETHER WITH LOT 1 OF TRACT NO. 30326, AS PER MAP RECORDED IN BOOK 819, PAGES 41 AND 42 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 1, 2 AND 3 OF TRACT NO. 334, AS PER MAP RECORDED IN BOOK 14, PAGE 72 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 1, 2 AND 3 OF TRACT NO. 4632, AS PER MAP RECORDED IN BOOK 50 PAGE 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER, TOGETHER WITH LOTS 13, 14, 15 AND 16 OF REM-NADEAU TRACT, AS PER MAP RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THAT PORTION OF COTTAGE STREET AS SHOWN ON MAP OF REM-NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WHICH LIES SOUTHERLY OF A LINE PARALLEL WITH AND 20 FEET SOUTHERLY MEASURED AT RIGHT ANGLES FROM THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 16 OF SAID REM-NADEAU TRACT, VACATED BY RESOLUTION OF BOARD OF SUPERVISORS OF SAID COUNTY ADOPTED NOVEMBER 15, 1955 A CERTIFIED COPY THEREOF BEING RECORDED IN BOOK 49550, PAGE 346 OFFICIAL RECORDS OF SAID COUNTY, TOGETHER WITH THAT CERTAIN ALLEY IN SAID COUNTY AND STATE AS SHOWN ON MAP OF TRACT 4632, RECORDED IN BOOK 50 PAGE 18 OF MAPS RECORDS OF SAID COUNTY, VACATED BY SAID ABOVE MENTIONED RESOLUTION.

TOGETHER WITH LOTS 3, 4 AND 5 OF THE REM NADEAU SUBDIVISION, AS PER MAP RECORDED IN BOOK 10 PAGE 116 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 4, 5, 6, 7 AND 8 OF TRACT NO. 334, AS PER MAP RECORDED IN BOOK 14 PAGE 72 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH LOTS 27, 28, 50, 51, 52, 53, 54, 55, 56 AND 57 OF WALTER A. NADEAU TRACT, AS PER MAP RECORDED IN BOOK 10 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH ALL THAT PORTION OF WALTER STREET AS VACATED, LYING WEST OF THE SOUTH PROLONGATION OF THE EAST LINE OF LOT 57 OF WALTER A. NADEAU TRACT, AS PER MAP RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AND ALL OF THAT PORTION OF THE FIRST ALLEY SOUTH OF SAID WALTER STREET LYING WEST OF THE SOUTHERLY PROLONGATION OF THE EAST LINE OF LOT 52 OF SAID WALTER A. NADEAU TRACT.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE, BY MAP OF WALTER A. NADEAU TRACT, RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF THE RECORDER OF THE SAID COUNTY, LYING NORTHERLY OF A LINE PARALLEL WITH AND 5 FEET NORTHERLY OF THE SOUTHERLY LINE OF LOT 58 OF SAID TRACT.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 5 FEET AND VARIABLE WIDTH, IN ABOVE MENTIONED UNINCORPORATED TERRITORY, DESCRIBED AS PART (D) AND PART (F) IN A ROAD DEED TO SAID COUNTY, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, IN DEED RECORDED ON MAY 20, 1988, AS DOCUMENT NO. 88-810504, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER.

EXCEPTING THEREFROM THE SOUTHERLY 5 FEET OF ABOVE SAID PART (D).

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, DESCRIBED IN ROAD DEEDS TO SAID COUNTY, FOR PUBLIC ROAD AND HIGHWAY PURPOSES RECORDED ON APRIL 17, 1936, AS DOCUMENT NO. 1186, IN BOOK 14105, PAGE 99, AS DOCUMENT 1187, IN BOOK 14031, PAGE 304, AS DOCUMENT NO. 1188, IN BOOK 14024, PAGE 332, AS DOCUMENT NO. 1189, IN BOOK 14114, PAGE 61, AS DOCUMENT NO. 1190, IN BOOK 14084, PAGE 142, AND AS DOCUMENT NO. 1191, IN BOOK 14072, PAGE 208, ALL OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER, LYING WESTERLY OF AND ADJOINING LOTS 1 THROUGH 8 INCLUSIVE, OF TRACT NO. 334, RECORDED IN BOOK 14, PAGE 72 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT PORTION OF ROSEBERRY AVENUE, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF GEO J. NADEAU TRACT, RECORDED IN BOOK 7, PAGE 73 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING SOUTHERLY OF THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 2 OF TRACT NO. 4632, AS SHOWN ON MAP RECORDED IN BOOK 50, PAGE 18 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT PORTION OF COTTAGE STREET, 50 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF REM NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING NORTHERLY OF THE NORTHERLY BOUNDARY OF TRACT NO. 30326, FILED IN BOOK 819, PAGES 41 AND 42 OF MAPS IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT CERTAIN ALLEY, 15 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF REM NADEAU TRACT RECORDED IN BOOK 6, PAGE 71 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING SOUTHERLY OF AND ADJOINING LOTS 1 TO 4 AND LOTS 25 TO 27 INCLUSIVE, OF SAID TRACT.

TOGETHER WITH THAT CERTAIN ALLEY, 15 FEET WIDE AS SHOWN ON SAID REM NADEAU TRACT NO. 2, LYING SOUTHERLY OF AND ADJOINING LOTS 1 TO 3 INCLUSIVE OF SAID TRACT.

TOGETHER WITH THAT CERTAIN ALLEY, 5 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF TRACT NO. 30326 FILED IN BOOK 819, PAGES 41 AND 42 OF MAPS, IN THE OFFICE OF SAID RECORDER.

TOGETHER WITH THAT CERTAIN ALLEY, 7.5 FEET WIDE, DESCRIBED IN A ROAD DEED TO SAID COUNTY, FOR ROAD AND HIGHWAY PURPOSES RECORDED ON JULY 26, 1982, AS DOCUMENT NO. 82-749355, OF OFFICIAL RECORDS, IN THE OFFICE OF THE SAID RECORDER.

TOGETHER WITH THAT CERTAIN PORTION OF ALLEY, 12 FEET WIDE, IN THE ABOVE MENTIONED UNINCORPORATED TERRITORY, AS SHOWN ON AND DEDICATED TO THE PUBLIC USE BY MAP OF WALTER A. NADEAU TRACT, RECORDED IN BOOK 10, PAGE 188 OF MAPS, IN THE OFFICE OF SAID RECORDER, LYING NORTHERLY OF AND ADJOINING LOTS 28 AND 29, OF SAID TRACT.

EXCEPTING THEREFROM THE EASTERLY 5 FEET.

THE ABOVE DESCRIBED PARCEL CONTAINS 18.3 ACRES, MORE OR LESS.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE A PART HEREOF.

SUBJECT TO ALL COVENANTS, RIGHTS, RIGHTS-OF-WAY AND EASEMENTS OF RECORD.

FLORENCE

AVENUE

REM NADEAU TRACT

1 2 3 4

STREET

COTTAGE

M.B. 6/71

25 26 27 1 2 3

ALLEY

ALLEY

U.P. R.R. R/W

LOT 1
TRACT 30326
M.B. 8/49/41-42



SCALE: 1"=80'

ALLEY (VAC)

REM NADEAU TRACT No. 2 M.B. 8/19

4 5 6 7 8 9 10

ROSEBERRY AVENUE

SEE SHEET 2

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 1 OF 4

LEGAL DESCRIPTION

LA ALAMEDA PROJECT
WALNUT PARK, CALIFORNIA



Development Resource Consultants, Inc.

Civil Engineering • Land Surveying • Environmental
8175 E. KAISER BOULEVARD
ANAHEIM HILLS, CA 92808 (714) 685-6860

SEE SHEET 1

ALLEY (VAC)

REM NADEAU
TR. M.B. 6/71

1/5 1/4 1/3

COTTAGE ST.
VACATED

REM NADEAU
TR. M.B. 6/71

1/6

1/2

ALLEY (VAC)

TRACT NO. 4632
M.B. 50/18

1

2

3

3

REM NADEAU SUBDIVISION
M.B. 10/116

4

5

SEE SHEET 3

ROSEBERRY AVENUE

ALAMEDA STREET

U.P. R.R. R/W



SCALE: 1"=80'

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SHEET 2 OF 4

LEGAL DESCRIPTION

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